

**INTERCONNECTION, RESALE AND UNBUNDLING AGREEMENT**

**BETWEEN**

**VERIZON NORTH INC., F/K/A GTE NORTH INCORPORATED**

**AND**

**KMC TELECOM V, INC.**

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This Interconnection, Resale and Unbundling Agreement (the "Agreement"), is by and between Verizon North Inc., f/k/a GTE North Incorporated, with its address for purposes of this Agreement at 600 Hidden Ridge Drive, Irving, Texas 75038 ("Verizon"), and KMC Telecom V, Inc., in its capacity as a certified Provider of local two-way wireline dial-tone service ("KMC"), with its address for this Agreement at 1755 N. Brown Road, 3<sup>rd</sup> Floor, Lawrenceville, GA 30043 (Verizon and KMC being referred to collectively as the "Parties" and individually as a "Party"). This Agreement covers services in the State of Wisconsin only (the "State").

WHEREAS, interconnection between competing Local Exchange Carriers (LECs) is necessary and desirable for the mutual exchange and termination of traffic originating on each LEC's network; and

WHEREAS, the Parties desire to exchange such traffic and related signaling in a technically and economically efficient manner at defined and mutually agreed upon interconnection points; and

WHEREAS, the Parties wish to enter into an agreement to interconnect their respective telecommunications networks on terms that are fair and equitable to both Parties; and

WHEREAS, Section 251 of the Telecommunications Act of 1996 (the "Act") imposes specific obligations on LECs with respect to the interconnection of their networks, resale of their telecommunications services, access to their poles, ducts, conduits and rights-of-way and, in certain cases, the offering of certain Unbundled Network Elements (UNEs) and physical collocation of equipment in LEC premises; and

WHEREAS, Verizon is entering, under protest, into certain aspects of this Agreement that incorporate adverse results from the arbitrated agreements approved by the Commission in this state and is doing so in order to avoid the expense of arbitration while at the same time preserving its legal positions, rights and remedies, pursuant to Article III, Section 49;

NOW, THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Verizon and KMC hereby covenant and agree as follows:

ARTICLE I  
SCOPE AND INTENT OF AGREEMENT

Pursuant to this Agreement, the Parties will extend certain arrangements to one another within each area in which they both operate within the State for purposes of interconnection and the exchange of traffic between their respective end-user customers, and reciprocal access to poles, ducts, conduits and rights-of-way. This Agreement also governs the purchase by KMC of certain telecommunications services provided by Verizon in its franchise areas for resale by KMC, the purchase by KMC of certain Unbundled Network Elements from Verizon, and the terms and conditions of the collocation of certain equipment of KMC in the premises of Verizon. This Agreement is an integrated package that reflects a balancing of interests critical to the Parties. This Agreement will be submitted to the Wisconsin Public Service Commission (the "Commission") for approval. The Parties agree that their entrance into this Agreement is without prejudice to and does not waive any positions they may have taken previously, or may take in the future, in any legislative, regulatory, judicial or other public forum addressing any matters, including matters related to the same types of arrangements and/or matters related to Verizon's cost recovery covered in this Agreement. KMC agrees to negotiate reciprocal terms and conditions with Verizon based on this Agreement. Verizon's execution of this Agreement is not a concession or waiver in any manner concerning its position that certain rates, terms and conditions contained herein are unlawful, illegal and improper.

The services and facilities to be provided to KMC by Verizon in satisfaction of this Agreement may be provided pursuant to Verizon tariffs and then current practices. Should such services and facilities be modified by tariff or by Order, including any modifications resulting from other Commission proceedings, federal court review or other judicial action, and unless otherwise specified herein, such modifications will be deemed to automatically supersede any rates and terms and conditions of this Agreement. The Parties shall cooperate with one another for the purpose of incorporating required modifications into this Agreement.

## ARTICLE II

### DEFINITIONS

#### 1. General Definitions.

Except as otherwise specified herein, the following definitions shall apply to all Articles and Appendices contained in this Agreement. Additional definitions that are specific to the matters covered in a particular Article may appear in that Article. To the extent that there may be any conflict between a definition set forth in this Article II and any definition in a specific Article or Appendix, the definition set forth in the specific Article or Appendix shall control with respect to that Article or Appendix.

##### 1.1 Access Service Request (ASR)

An industry standard form, which contains data elements and usage rules used by the Parties to add, establish, change or disconnect services or trunks for the purposes of Interconnection.

##### 1.2 Act

The Telecommunications Act of 1996, Public Law 104-104 of the 104th United States Congress effective February 8, 1996.

##### 1.3 Affiliate

A person, corporation or other legal entity that, directly or indirectly, owns or controls a Party, or is owned or controlled by, or is under common ownership or control with a Party.

##### 1.4 Answer Supervision

An off-hook supervisory signal.

##### 1.5 Applicable Law

All laws, statutes, common law, regulations, ordinances, codes, rules, guidelines, orders, permits, and approvals of any Governmental Authority, which apply or relate to the subject matter of this Agreement.

##### 1.6 As-Is Transfer (AIT)

The transfer of all telecommunications services and features available for resale, that are currently being provided for a specific account, without the requirements of a specific enumeration of the services and features on the Local Service Request (LSR).

##### 1.7 Automatic Location Identification/Data Management System (ALI/DMS)

The emergency services (E-911/911) database containing customer location information (including name, address, telephone number, and sometimes special information from the local service provider) used to process subscriber access records into Automatic Location Identification (ALI) records. From this database, records are forwarded to Verizon's ALI Gateway for downloading by local ALI database systems to be available for retrieval in response to Automatic Number Identification (ANI) from a 9-1-1 call. Also, from this database, Verizon will upload to its selective routers the selective router ALI (SR/ALI) which is used to determine to which Public Safety Answering Point (PSAP) to route the call.

1.8 **Automated Message Accounting (AMA)**

The structure inherent in switch technology that initially records telecommunication message information. AMA format is contained in the Automated Message Accounting document, published by Telcordia Technologies as GR-1100-CORE which defines the industry standard for message recording.

1.9 **Automatic Number Identification (ANI)**

The number transmitted through the network identifying the calling party.

1.10 **Basic Local Exchange Service**

Voice grade access to the network that provides: the ability to place and receive calls; touch-tone service, access to operator services; access to directory assistance; access to emergency services (E911); access to telephone relay service (TRS); access to interexchange carriers of the customer's choice; standard white pages directory listing; and toll blocking for low-income consumers participating in Lifeline (subject to technical feasibility).

1.11 **Bill-and-Keep Arrangement**

A compensation arrangement whereby the Parties do not render bills to each other for the termination of Local Traffic specified in this Agreement and whereby the Parties terminate local exchange traffic originating from end-users served by the networks of the other Party without explicit charging among or between said carriers for such traffic exchange.

1.12 **Bona Fide Request (BFR)**

Process intended to be used when requesting customized Service Orders for certain services, features, capabilities or functionality defined and agreed upon by the Parties as services to be ordered as BFRs.

1.13 **Business Day**

Monday through Friday, except for holidays on which the U.S. mail is not delivered.

1.14 **Central Office Switch**

A switch used to provide telecommunications services including (1) End Office Switches which are Class 5 switches from which end-user Exchange Services are directly connected and offered, and (2) Tandem Office Switches which are Class 4 switches which are used to connect and switch trunk circuits between and among central office switches. Central office switches may be employed as combination end office/tandem office switches (combination Class 5/Class 4).

1.15 **Centralized Message Distribution System (CMDS)**

The billing record and clearing house transport system that the Regional Bell Operating Companies (RBOCs) and other incumbent LECs use to efficiently exchange out collects and in collects as well as Carrier Access Billing System (CABS) records.

1.16 **CLLI Codes**

Common Language Location Identifier Codes.

- 1.17 **Commission**  
The Wisconsin Public Service Commission.
- 1.18 **Common Channel Signaling (CCS)**  
A high-speed specialized packet-switched communications network that is separate (out-of-band) from the public packet-switched and message networks. CCS carries addressed signaling messages for individual trunk circuits and/or database-related services between Signaling Points in the CCS network using SS7 signaling protocol.
- 1.19 **Competitive Local Exchange Carrier (CLEC)**  
Any company or person authorized to provide local exchange services in competition with an ILEC.
- 1.20 **Compliance**  
Environmental and safety laws and regulations based upon a federal regulatory framework, with certain responsibilities delegated to the States. An environmental/safety compliance program may include review of applicable laws/regulations, development of written procedures, training of employees and auditing.
- 1.21 **Conversation Time**  
The time that both Parties' equipment is used for a completed call, measured from the receipt of Answer Supervision to the receipt of Disconnect Supervision.
- 1.22 **Currently Available**  
Existing as part of Verizon's network at the time of the requested order or service and does not include any service, feature, function or capability that Verizon either does not provide to itself or to its own end users, or does not have the capability to provide.
- 1.23 **Customer**  
Verizon or KMC, depending on the context and which Party is receiving the service from the other Party.
- 1.24 **Customer Service Record Search**  
Applied to LSR when CLEC requests a customer service record search prior to account conversion from Verizon or from another CLEC. Search typically is for basic account information, listing/directory information, service and equipment listing, and billing information. Applied on a per requested loop and/or port basis.
- 1.25 **Dedicated Transport**  
An Unbundled Network Element that is purchased for the purpose of transporting Telecommunication Services between designated Serving Wire Centers (SWC). Dedicated Transport may extend between two Verizon SWCs (Interoffice Dedicated Transport or IDT) or may extend from the Verizon SWC to the CLEC premise (CLEC Dedicated Transport or CDT). CDT remains within the exchange boundaries of the SWC, while IDT traverses exchange boundaries.
- 1.26 **Disconnect Supervision**  
An on-hook supervisory signal end at the completion of a call.

- 1.27 **DS-1**  
A service carried at digital signal rate of 1.544 Mbps.
- 1.28 **DS-3**  
A service carried at digital signal rate of 44.736 Mbps.
- 1.29 **Electronic File Transfer**  
A system or process which utilizes an electronic format and protocol to send/receive data files.
- 1.30 **Enhanced Service Provider (ESP) /Internet Service Provider (ISP) Traffic**  
Traffic bound to any Enhanced Service Provider or Internet Service Provider. ESP/ISP Traffic is separate and distinct from Local Traffic.
- 1.31 **E-911 Service**  
A method of routing 911 calls to a PSAP that uses a customer location database to determine the location to which a call should be routed. E-9-1-1 service includes the forwarding of the caller's Automatic Number Identification (ANI) to the PSAP where the ANI is used to retrieve and display the Automatic Location Identification (ALI) on a terminal screen at the answering Attendant's position. It usually includes selective routing.
- 1.32 **Exchange Message Record (EMR)**  
An industry standard record used to exchange telecommunications message information among CLECs for billable, non-billable, sample, settlement and study data. EMR format is defined in BR-010-200-010 CRIS Exchange Message Record, published by Telcordia Technologies.
- 1.33 **Exchange Service**  
All basic access line services, or any other services offered to end users which provide end users with a telephonic connection to, and a unique telephone number address on, the Public Switched Telecommunications Network (PSTN), and which enable such end users to place or receive calls to all other stations on the PSTN.
- 1.34 **Expanded Interconnection Service (EIS)**  
A service that provides interconnecting carriers with the capability to terminate basic fiber optic transmission facilities, including optical terminating equipment and multiplexers, at Verizon's wire centers and access tandems and interconnect those facilities with the facilities of Verizon. Microwave is available on a case-by-case basis where feasible.
- 1.35 **Facility**  
All buildings, equipment, structures and other items located on a single site or contiguous or adjacent sites owned or operated by the same persons or person as used in Article III, Section 47.
- 1.36 **FCC**  
The Federal Communications Commission.



1.37 **Generator**

Under the Resource Conservation Recovery Act (RCRA), the person whose act produces a hazardous waste (40 CFR 261) or whose act first causes a hazardous waste to become subject to regulation. The generator is legally responsible for the proper management and disposal of hazardous wastes in accordance with regulations (see reference in Article III, Section 47).

1.38 **Verizon Guide**

The Verizon Open Market Transition Order/Processing Guide, LSR Guide, and Products and Services Guide which contain Verizon's operating procedures for ordering, provisioning, trouble reporting and repair for resold services and unbundled elements and Verizon's CLEC Interconnection Guide which provides guidelines for obtaining interconnection of Verizon's Switched Network with the networks of all certified CLECs for reciprocal exchange of traffic. Except as specifically provided otherwise in this Agreement, service ordering, provisioning, billing and maintenance shall be governed by the Guide which may be amended from time to time by Verizon as needed.

1.39 **GTOC**

Verizon Telephone Operating Company.

1.40 **Hazardous Chemical**

As defined in the U.S. Occupational Safety and Health (OSHA) hazard communication standard (29 CFR 1910.1200), any chemical which is a health hazard or physical hazard.

1.41 **Hazardous Waste**

As described in Resource Conservation Recovery Act (RCRA), a solid waste(s) which may cause, or significantly contribute to an increase in mortality or illness or pose a substantial hazard to human health or the environment when improperly treated, stored, transported or disposed of or otherwise managed because of its quantity, concentration or physical or chemical characteristics.

1.42 **Imminent Danger**

As described in the Occupational Safety and Health Act and expanded for environmental matters, any conditions or practices at a facility which are such that a danger exists which could reasonably be expected to cause death or serious harm or significant damage to the environment or natural resources.

1.43 **Incumbent Local Exchange Carrier (ILEC)**

Any local exchange carrier that was as of February 8, 1996, deemed to be a member of the Exchange Carrier Association as set forth in 47 C.F.R. §69.601(b) of the FCC's regulations.

1.44 **Initial Service Order**

A charge applied to each LSR of Unbundled Loops and/or Ports with the exception of Subsequent Service Order changes to existing CLEC accounts.

1.45 **Interconnection Facility**

See "Internetwork Facilities".

1.46 **Interconnection Point (IP)**

The physical point on the network where the two parties interconnect. The IP is the demarcation point between ownership of the transmission facility.

1.47 **Interexchange Carrier (IXC)**

A telecommunications service provider authorized by the FCC to provide interstate long distance communications services between LATAs and is authorized by the State to provide inter- and/or intraLATA long distance communications services within the State.

1.48 **Interim Number Portability (INP)**

The delivery of Local Number Portability (LNP) capabilities, from a customer standpoint in terms of call completion, with as little impairment of functioning, quality, reliability, and convenience as possible and from a carrier standpoint in terms of compensation, through the use of existing and available call routing, forwarding, and addressing capabilities.

1.49 **Internetwork Facilities**

The physical connection of separate pieces of equipment, transmission facilities, etc., within, between and among networks, for the transmission and routing of exchange service and exchange access.

1.50 **ISDN User Part (ISUP)**

A part of the SS7 protocol that defines call setup messages and call takedown messages.

1.51 **Line Information Data Base (LIDB)**

One or all, as the context may require, of the Line Information databases owned individually by Verizon and other entities which provide, among other things, calling card validation functionality for telephone line number cards issued by Verizon and other entities. A LIDB also contains validation data for collect and third number-billed calls; i.e., Billed Number Screening.

1.52 **Line Side**

Refers to an end office switch connection that has been programmed to treat the circuit as a local line connected to an ordinary telephone station set. Line side connections offer only those transmission and signaling features appropriate for a connection between an end office and an ordinary telephone set.

1.53 **Local Access and Transport Area (LATA)**

A geographic area for the provision and administration of communications service; i.e., intraLATA or interLATA.

1.54 **Local Exchange Carrier (LEC)**

Any company certified by the Commission to provide local exchange telecommunications service. This includes the Parties to this Agreement.

1.55 **Local Exchange Routing Guide (LERG)**

The Telcordia Technologies reference customarily used to identify NPA-NXX routing and homing information, as well as network element and equipment designation.

1.56 **Local Number Portability (LNP)**

The ability of users of telecommunications services to retain, at the same location, existing telecommunications numbers without impairment of quality, reliability, or convenience when switching from one telecommunications carrier to another.

1.57 **Local Service Request (LSR)**

The industry standard form, which contains data elements and usage rules, used by the Parties to establish, add, change or disconnect resold services and unbundled elements for the purposes of competitive local services.

1.58 **Local Traffic**

Traffic that is originated by an end user of one Party and terminates to the end user of the other Party within Verizon's then current local serving area, including mandatory local calling scope arrangements. A mandatory local calling scope arrangement is an arrangement that provides end users a local calling scope, Extended Area Service (EAS), beyond their basic exchange serving area. Local Traffic does not include optional local calling scopes (i.e., optional rate packages that permit the end user to choose a local calling scope beyond their basic exchange serving area for an additional fee), referred to hereafter as "optional EAS". Local Traffic excludes Enhanced Service Provider (ESP) and Internet Service Provider (ISP) traffic, including but not limited to Internet, 900-976, etc., and Internet Protocol based long distance telephony.

1.59 **Loop Facility Charge**

A charge applied to LSRs when field work is required for establishment of unbundled loop service. Applied on a per LSR basis.

1.60 **Main Distribution Frame (MDF)**

The distribution frame used to interconnect cable pairs and line trunk equipment terminating on a switching system.

1.61 **Meet-Point Billing (MPB)**

Refers to an arrangement whereby two LECs jointly provide the transport element of a switched access service to one of the LEC's end office switches, with each LEC receiving an appropriate share of the transport element revenues as defined by the effective access tariffs.

1.62 **Mid-Span Fiber Meet**

An Interconnection architecture whereby two carriers' fiber transmission facilities meet at a mutually agreed-upon IP.

1.63 **Multiple Exchange Carrier Access Billing (MECAB)**

Refers to the document prepared by the Billing Committee of the Ordering and Billing Forum (OBF), which functions under the auspices of the Carrier Liaison Committee (CLC) of the Alliance for Telecommunications Industry Solutions (ATIS). The MECAB document, published by Telcordia Technologies as Special Report SR-BDS-000983, contains the recommended guidelines for the billing of an access service provided by two or more LECs, or by one LEC in two or more states within a single LATA.

1.64 **Multiple Exchange Carriers Ordering and Design Guidelines for Access Services - Industry Support Interface (MECOD)**

A document developed by the Ordering/Provisioning Committee under the auspices of the Ordering and Billing Forum (OBF), which functions under the auspices of the Carrier Liaison Committee (CLC) of the Alliance for Telecommunications Industry Solutions (ATIS). The MECOD document, published by Telcordia Technologies as Special Report SR-STS-002643, establishes methods for processing orders for access service which is to be provided by two or more LECs.

1.65 **Network Interface Device (NID)**

The point of demarcation between the end user's inside wiring and Verizon's facilities.

1.66 **911 Service**

A universal telephone number which gives the public direct access to the PSAP. Basic 911 service collects 911 calls from one or more local exchange switches that serve a geographic area. The calls are then sent to the correct authority designated to receive such calls.

1.67 **North American Numbering Plan (NANP)**

The system of telephone numbering employed in the United States, Canada, and Caribbean countries that employ NPA 809.

1.68 **Numbering Plan Area (NPA)**

Also sometimes referred to as an area code, is the three digit indicator which is defined by the "A", "B", and "C" digits of each 10-digit telephone number within the NANP. Each NPA contains 800 possible NXX Codes. There are two general categories of NPA, "Geographic NPAs" and "Non-Geographic NPAs". A Geographic NPA is associated with a defined geographic area, and all telephone numbers bearing such NPA are associated with services provided within that geographic area. A Non-Geographic NPA, also known as a "Service Access Code" or "SAC Code" is typically associated with a specialized telecommunications service which may be provided across multiple geographic NPA areas. 800, 900, 700, and 888 are examples of Non-Geographic NPAs.

1.69 **NXX, NXX Code, Central Office Code or CO Code**

The three digit switch entity indicator which is defined by the "D", "E", and "F" digits of a 10-digit telephone number within the NANP. Each NXX Code contains 10,000 station numbers.

1.70 **Owner or Operator**

As used in OSHA regulations, owner is the legal entity, including a lessee, which exercises control over management and record keeping functions relating to a building or facility. As used in the Resource Conservation and Recovery Act (RCRA), operator means the person responsible for the overall (or part of the) operations of a facility (see reference in Article III, Section 47).

1.71 **Party/Parties**

Verizon and/or KMC.

1.72 **Pole Attachment**

Refers to the definition set forth in Article X.

1.73 **Provider**

Verizon or KMC depending on the context and which Party is providing the service to the other Party.

1.74 **Public Safety Answering Point (PSAP)**

An answering location for 9-1-1 calls originating in a given area. A PSAP may be designated as Primary or Secondary, which refers to the order in which calls are directed for answering. Primary PSAPs respond first; Secondary PSAPs receive calls on a transfer basis only, and generally serve as a centralized answering location for a particular type of emergency call. PSAPs are staffed by employees of Emergency Response Agencies (ERAs) such as police, fire or emergency medical agencies or by employees of a common bureau serving a group of such entities.

1.75 **Rate Center**

The specific geographic point and corresponding geographic area that are associated with one or more particular NPA-NXX Codes that have been assigned to a LEC for its provision of Exchange Services. The geographic point is identified by a specific Vertical and Horizontal (V&H) coordinate that is used to calculate distance-sensitive end user traffic to/from the particular NPA-NXXs associated with the specific Rate Center.

1.76 **Right-of-way (ROW)**

The right to use the land or other property of another party to place poles, conduits, cables, other structures and equipment, or to provide passage to access such structures and equipment. A ROW may run under, on, or above public or private property (including air space above public or private property) and may include the right to use discrete space in buildings, building complexes, or other locations.

1.77 **Routing Point**

Denotes a location that a LEC has designated on its network as the homing (routing) point for traffic that terminates to Exchange Services provided by the LEC that bear a certain NPA-NXX designation. The Routing Point is used to calculate airline mileage for the distance-sensitive transport element charges of Switched Access Services. Pursuant to Telcordia Technologies Practice BR795-100-100, the Routing Point may be an end office location, or a "LEC Consortium Point of Interconnection." The Routing Point must be in the same LATA as the associated NPA-NXX.

1.78 **Service Control Point (SCP)**

The node in the signaling network to which informational requests for service handling, such as routing, are directed and processed. The SCP is a real time database system that, based on a query from the SSP, performs subscriber or application-specific service logic, and then sends instructions back to the SSP on how to continue call processing.

1.79 **Service Switching Point (SSP)**

A Signaling Point that can launch queries to databases and receive/interpret responses used to provide specific customer services.

1.80 **Shared Transport**

The physical interoffice facility not dedicated to any one customer, that is used to transport a call between switching offices. A central office switch translates the end user dialed digits and routes the call over a Common Transport Trunk Group that rides interoffice transmission facilities. These trunk groups and the associated interoffice transmission facilities are accessible by any end user (Verizon end user or KMC end user when KMC has purchased unbundled local switching), and are referred to as “shared transport facilities”.

1.81 **Signaling Point (SP)**

A node in the CCS network that originates and/or receives signaling messages, or transfers signaling messages from one signaling link to another, or both.

1.82 **Signaling System 7 (SS7)**

The signaling protocol, Version 7, of the CCS network, based upon American National Standards Institute (ANSI) standards.

1.83 **Signal Transfer Point (STP)**

A packet switch in the CCS network that is used to route signaling messages among SSPs, SCPs and other STPs in order to set up calls and to query databases for advanced services. Verizon's network includes mated pairs of local and regional STPs. STPs are provided in pairs for redundancy. Verizon STPs conform to ANSI T1.111-8 standards.

1.84 **Subsidiary**

A corporation or other legal entity that is majority owned by a Party.

1.85 **Subsequent Service Order**

Applied to LSRs requesting a service change to an existing unbundled account (no CLEC transfer). For disconnect-only LSRs, no NRC will be applied.

1.86 **Synchronous Optical Network (SONET)**

Synchronous electrical (STS) or optical channel (OC) connections between LECs.

1.87 **Switched Access Service**

The offering of facilities for the purpose of the origination or termination of traffic to or from Exchange Service customers in a given area pursuant to a switched access tariff. Switched Access Services include: Feature Group A, Feature Group B, Feature Group C, Feature Group D, 800 access and 900 access services.

1.88 **Telcordia Technologies**

A wholly owned subsidiary of Science Applications International Corporation (SAIC). The organization conducts research and development projects for its owners, including development of new telecommunications services. Telcordia Technologies also provides certain centralized technical and management services for the regional holding companies and also provides generic requirements for the telecommunications industry for products, services and technologies.

1.89 **Telecommunications Services**

The offering of telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used.

1.90 **Third Party Contamination**

Environmental pollution that is not generated by the LEC or KMC but results from off-site activities impacting a facility.

1.91 **Transfer of Service**

A charge applied to LSR's which involve account changes (e.g., CLEC to CLEC transfers, DA & CPE billing changes on Unbundled Ports).

1.92 **Trunk Side**

Refers to a central office switch connection that is capable of, and has been programmed to treat the circuit as, connecting to another switching entity, for example, to another central office switch. Trunk side connections offer those transmission and signaling features appropriate for the connection of switching entities and cannot be used for the direct connection of ordinary telephone station sets.

1.93 **Unbundled Network Element (UNE)**

Generally a facility or equipment used in the provision of a Telecommunications Service. Specific references to UNEs contained throughout this Agreement shall be to the network elements that are to be unbundled pursuant to Article VII of this Agreement.

1.94 **Undefined Terms**

Terms that may appear in this Agreement which are not defined. Parties acknowledge and agree that any such terms shall be construed in accordance with customary usage in the telecommunications industry as of the effective date of this Agreement.

1.95 **Vertical Features (including CLASS Features)**

Vertical services and switch functionalities provided by Verizon, including: Automatic Call Back; Automatic Recall; Call Forwarding Busy Line/Don't Answer; Call Forwarding Don't Answer; Call Forwarding Variable; Call Forwarding - Busy Line; Call Trace; Call Waiting; Call Number Delivery Blocking Per Call; Calling Number Blocking Per Line; Cancel Call Waiting; Distinctive Ringing/Call Waiting; Incoming Call Line Identification Delivery; Selective Call Forward; Selective Call Rejection; Speed Calling; and Three Way Calling/Call Transfer.

1.96 **Wire Center**

A building or space within a building that serves as an aggregation point on a LEC's network, where transmission facilities and circuits are connected or switched. Wire Center can also denote a building in which one or more Central Offices, used for the provision of exchange services and access services, are located.

ARTICLE III  
GENERAL PROVISIONS

1. Scope of General Provisions.

Except as may otherwise be set forth in a particular Article or Appendix of this Agreement, in which case the provisions of such Article or Appendix shall control, these General Provisions apply to all Articles and Appendices of this Agreement.

2. Term and Termination.

2.1 Term.

Subject to the termination provisions contained in this Agreement, the term of this Agreement shall be from the Effective Date of this Agreement until April 15, 2002 and shall continue in effect for consecutive six (6) month terms unless either Party gives the other Party at least ninety (90) calendar days written notice of termination, which termination shall be effective at the end of the then-current term ("Termination Date"). In the event notice is given less than 90 calendar days prior to the end of the current term, this Agreement shall remain in effect for 90 calendar days after such notice is received, provided, that in no case shall the Termination Date be extended beyond 90 calendar days after the end of the current term.

2.2 Post-Termination Arrangements.

Except in the case of termination as a result of either Party's Default under Section 2.3 below, or a termination upon sale, pursuant to Section 2.4, for service arrangements made available under this Agreement and existing at the time of termination, those arrangements may continue:

- (a) As if under this Agreement, if either Party has requested negotiations for a new agreement pursuant to Sections 251 and 252 of the Act, (i) until this Agreement has been replaced by a new agreement, or (ii) for up to one hundred eighty (180) calendar days following the Termination Date, whichever is earlier.
- (b) If this Agreement is not continued pursuant to subsection (a) preceding under (i) a new agreement voluntarily executed by the Parties; (ii) standard terms and conditions approved and made generally effective by the Commission, if any; (iii) tariff terms and conditions made generally available to all Local Providers; or (iv) any rights under Section 252(i) of the Act.

2.3 Termination Upon Default.

Either Party may terminate this Agreement in whole or in part in the event of a default by the other Party; *provided however*, that the non-defaulting Party notifies the defaulting party in writing of the alleged default and that the defaulting Party does not cure the alleged default within sixty (60) calendar days of receipt of written notice thereof. Default is defined to include:

- (a) A Party's insolvency or the initiation of bankruptcy or receivership proceedings by or against the Party; or



- (b) A Party's refusal or failure in any material respect properly to perform its obligations under this Agreement, or the violation of any of the material terms or conditions of this Agreement.

2.4 Termination Upon Sale.

Notwithstanding anything to the contrary contained herein, a Party may terminate this Agreement as to a specific operating area or portion thereof if such Party sells or otherwise transfers the area or portion thereof. The selling or transferring Party shall provide the other Party with at least ninety (90) calendar days' prior written notice of such termination, which shall be effective on the date specified in the notice. Notwithstanding termination of this Agreement as to a specific operating area, this Agreement shall remain in full force and effect in the remaining operating areas.

2.5 Liability Upon Termination.

Termination of this Agreement, or any part hereof, for any cause shall not release either Party from any liability which at the time of termination had already accrued to the other Party or which thereafter accrues in any respect to any act or omission occurring prior to the termination or from an obligation which is expressly stated in this Agreement to survive termination.

3. Amendments.

Any amendment, modification, or supplement to this Agreement must be in writing and signed by an authorized representative of each Party. The term "this Agreement" shall include future amendments, modifications, and supplements.

4. Assignment.

Any assignment by either Party of any right, obligation, or duty, in whole or in part, or of any interest, without the written consent of the other Party shall be void, except that either Party may assign all of its rights, and delegate its obligations, liabilities and duties under this Agreement, either in whole or in part, to any entity that is, or that was immediately preceding such assignment, a Subsidiary or Affiliate of that Party without consent, but with written notification. The effectiveness of an assignment shall be conditioned upon the assignee's written assumption of the rights, obligations, and duties of the assigning Party.

5. Authority.

Each person whose signature appears on this Agreement represents and warrants that he or she has authority to bind the Party on whose behalf he or she has executed this Agreement. Each Party represents he or she has had the opportunity to consult with legal counsel of his or her choosing and KMC has not relied on Verizon counsel, pursuant to this Agreement.

6. Responsibility for Payment.

Verizon may charge KMC and KMC will pay Verizon a deposit before Verizon is required to perform under this agreement if KMC has not established a good payment history with Verizon. Such deposit will be calculated based on Verizon's estimated two-month charges to KMC using KMC's forecast of resale lines and unbundled loops and ports. Interest will be paid on the deposit in accordance with state requirements for end user deposits.

7. CLEC Profile.

Before orders can be taken, the CLEC Profile must be completed and returned; and, if required, an advanced deposit paid. KMC will provide Verizon with its Operating Company Number (OCN),

Company Code (CC), and Customer Carrier Name Abbreviation (CCNA) as described in the Verizon Guide. KMC agrees to warrant to Verizon that it is a certified provider of telecommunications service. KMC will document its Certificate of Operating Authority on the CLEC Profile and agrees to update this CLEC Profile as required to reflect its current certification.

8. Contact Exchange.

The Parties agree to exchange and to update contact and referral numbers for order inquiry, trouble reporting, billing inquiries, and information required to comply with law enforcement and other security agencies of the government.

9. Electronic Interface.

The Parties shall work cooperatively in the implementation of electronic gateway access to Verizon operational support systems functions in the long-term in accordance with established industry standards. KMC should refer to the Verizon Guide for the current OSS capabilities.

9.1 KMC may migrate to fully interactive system to system interconnectivity. Verizon, with input from KMC and other carriers, shall provide general interface specifications for electronic access to this functionality. These specifications will be provided to enable KMC to design system interface capabilities. Development will be in accordance with applicable national standards committee guidelines. Such interfaces will be available as expeditiously as possible.

9.2 All costs and expenses for any new or modified electronic interfaces exclusively to meet KMC requirements that Verizon determines are different from what is Currently Available will be paid by KMC, if Verizon is in agreement.

9.3 KMC shall be responsible for modifying and connecting any of its pre-ordering and ordering systems with Verizon provided interfaces as described in the Guide.

10. Billing and Payment.

Except as provided elsewhere in this Agreement and where applicable, in conformance with Multiple Exchange Carrier Access Billing (MECAB) guidelines and Multiple Exchange Carriers Ordering and Design Guidelines for Access Services-Industry Support Interface (MECOD), KMC and Verizon agree to exchange all information to accurately, reliably, and properly order and bill for features, functions and services rendered under this Agreement.

10.1 Back Billing.

Neither Party will bill the other Party for previously unbilled charges that are for more than one-year prior to the current billing date.

10.2 Dispute.

If one Party disputes a billing statement issued by the other Party, the billed Party shall notify Provider in writing regarding the nature and the basis of the dispute within six (6) months of the statement date or the dispute shall be waived. The Parties shall diligently work toward resolution of all billing issues.

10.3 Late Payment Charge.

If any undisputed amount due on the billing statement is not received by Provider on the payment due date, Provider shall calculate and assess, and Customer agrees to pay, at Provider's option, a charge on the past due balance at an interest rate equal to the amount

allowed by the applicable Verizon/Contel state access tariffs, the state retail tariff, or the GTOC/GSTC FCC No. 1 tariff, in accordance with the service ordered, or the maximum nonusurious rate of interest under applicable law. Late payment charges shall be included on the next statement.

10.4 Due Date.

Payment is due thirty (30) calendar days from the bill date.

10.5 Audits.

Either Party may conduct an audit of the other Party's books and records pertaining to the Services provided under this Agreement, no more frequently than once per twelve (12) month period, to evaluate the other Party's accuracy of billing, data and invoicing in accordance with this Agreement. Any audit shall be performed as follows: (i) following at least thirty (30) Business Days' prior written notice to the audited Party; (ii) subject to the reasonable scheduling requirements and limitations of the audited Party; (iii) at the auditing Party's sole cost and expense; (iv) of a reasonable scope and duration; (v) in a manner so as not to interfere with the audited Party's business operations; and (vi) in compliance with the audited Party's security rules.

11. Binding Effect.

This Agreement shall be binding on and inure to the benefit of the respective successors and permitted assigns of the Parties.

12. Capacity Planning and Forecasting.

Within thirty (30) days from the effective date of this Agreement, the Parties agree to have met and developed joint planning and forecasting responsibilities which are applicable to Local Services, including Features, UNEs, Interim Number Portability (INP), Interconnection Services, Collocation, Poles, Conduits and Rights-of-Way (ROW). Verizon may delay processing KMC service orders should the Parties not perform obligations as specified in this Section 12. Such responsibilities shall include but are not limited to the following:

- 12.1 The Parties will establish periodic reviews of network and technology plans and will notify one another no later than six (6) months in advance of changes that would impact either Party's provision of services.
- 12.2 KMC will furnish to Verizon information that provides for state-wide annual forecasts of order activity, in-service quantity forecasts, and facility/demand forecasts.
- 12.3 The Parties will develop joint forecasting responsibilities for traffic utilization over trunk groups and yearly forecasted trunk quantities as set forth in Article V.
- 12.4 KMC shall notify Verizon promptly of changes greater than ten percent (10%) to current forecasts (increase or decrease) that generate a shift in the demand curve for the following forecasting period.

13. Compliance with Laws and Regulations.

Each Party shall comply with all federal, state, and local statutes, regulations, rules, ordinances, judicial decisions, and administrative rulings applicable to its performance under this Agreement.

14. Confidential Information.

14.1 Identification.

Either Party may disclose to the other proprietary or confidential customer, technical, or business information in written, graphic, oral or other tangible or intangible forms ("Confidential Information"). In order for information to be considered Confidential Information under this Agreement, it must be marked "Confidential" or "Proprietary," or bear a marking of similar import. Orally or visually disclosed information shall be deemed Confidential Information only if contemporaneously identified as such and reduced to writing and delivered to the other Party with a statement or marking of confidentiality within thirty (30) calendar days after oral or visual disclosure.

Notwithstanding the foregoing, preorders and all orders for services or UNEs placed by KMC pursuant to this Agreement, and information that would constitute customer proprietary network information of KMC end user customers pursuant to the Act and the rules and regulations of the FCC, as well as recorded usage information with respect to KMC end users, whether disclosed by KMC to Verizon or otherwise acquired by Verizon in the course of its performance under this Agreement, and where Verizon is the North American Numbering Plan (NANP) Number Plan Administrator, KMC information submitted to Verizon in connection with such responsibilities shall be deemed Confidential Information of KMC for all purposes under this Agreement whether or not specifically marked or designated as confidential or proprietary.

14.2 Handling.

In order to protect such Confidential Information from improper disclosure, each Party agrees:

- (a) That all Confidential Information shall be and shall remain the exclusive property of the source;
- (b) To limit access to such Confidential Information to authorized employees who have a need to know the Confidential Information for performance of this Agreement;
- (c) To keep such Confidential Information confidential and to use the same level of care to prevent disclosure or unauthorized use of the received Confidential Information as it exercises in protecting its own Confidential Information of a similar nature;
- (d) Not to copy, publish, or disclose such Confidential Information to others or authorize anyone else to copy, publish, or disclose such Confidential Information to others without the prior written approval of the source;
- (e) To return promptly any copies of such Confidential Information to the source at its request; and
- (f) To use such Confidential Information only for purposes of fulfilling work or services performed hereunder and for other purposes only upon such terms as may be agreed upon between the Parties in writing.

14.3 Exceptions.

These obligations shall not apply to any Confidential Information that was legally in the recipient's possession prior to receipt from the source, was received in good faith from a third party not subject to a confidential obligation to the source, now is or later becomes

publicly known through no breach of confidential obligation by the recipient, was developed by the recipient without the developing persons having access to any of the Confidential Information received in confidence from the source, or that is required to be disclosed pursuant to subpoena or other process issued by a court or administrative agency having appropriate jurisdiction, provided, however, that the recipient shall give prior notice to the source and shall reasonably cooperate if the source deems it necessary to seek protective arrangements.

14.4 Survival.

The obligation of confidentiality and use with respect to Confidential Information disclosed by one Party to the other shall survive any termination of this Agreement for a period of three (3) years from the date of the initial disclosure of the Confidential Information.

15. Consent.

Where consent, approval, or mutual agreement is required of a Party, it shall not be conditional, unreasonably withheld, or delayed.

16. Fraud.

KMC assumes responsibility for all fraud associated with its end-user customers and accounts. Verizon shall bear no responsibility for, nor is it required to investigate or make adjustments to KMC's account in cases of fraud.

17. Reimbursement of Expenses.

In performing under this Agreement Verizon may be required to make expenditures or otherwise incur costs that are not otherwise reimbursed under this Agreement. In such event Verizon is entitled to reimbursement from KMC for all such costs. For all such costs and expenses Verizon shall receive through NRCs the actual costs and expenses incurred, including labor costs and expenses, overhead and fixed charges, and may include a reasonable contribution to Verizon's common costs.

18. Dispute Resolution.

18.1 Alternative to Litigation.

Except as provided under Section 252 of the Act with respect to the approval of this Agreement by the Commission, the Parties desire to resolve disputes arising out of or relating to this Agreement without litigation. Accordingly, except for action seeking a temporary restraining order or an injunction related to the purposes of this Agreement, or suit to compel compliance with this dispute resolution process, the Parties agree to use the following alternative dispute resolution procedures as the sole remedy with respect to any controversy or claim arising out of or relating to this Agreement or its breach.

18.2 Negotiations.

At the written request of a Party, each Party will appoint a knowledgeable, responsible representative to meet and negotiate in good faith to resolve any dispute arising out of or relating to this Agreement. The Parties intend that these negotiations be conducted by non-lawyer, business representatives. The location, format, frequency, duration, and conclusion of these discussions shall be left to the discretion of the representatives. Upon agreement, the representatives may utilize other alternative dispute resolution procedures such as mediation to assist in the negotiations. Discussions and correspondence among the representatives for purposes of these negotiations shall be treated as confidential information developed for purposes of settlement, exempt from discovery, and shall not be

admissible in the arbitration described below or in any lawsuit without the concurrence of all Parties. Documents identified in or provided with such communications, which are not prepared for purposes of the negotiations, are not so exempted and may, if otherwise discoverable, be discovered or otherwise admissible, be admitted in evidence, in the arbitration or lawsuit.

18.3 Arbitration.

If the negotiations do not resolve the dispute within sixty (60) Business Days of the initial written request, the dispute shall be submitted to binding arbitration by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association except that the Parties may select an arbitrator outside American Arbitration Association rules upon mutual agreement. A Party may demand such arbitration in accordance with the procedures set out in those rules. Discovery shall be controlled by the arbitrator and shall be permitted to the extent set out in this section. Each Party may submit in writing to a Party, and that Party shall so respond to, a maximum of any combination of thirty-five (35) (none of which may have subparts) of the following: interrogatories, demands to produce documents, or requests for admission. Each Party is also entitled to take the oral deposition of one individual of another Party. Additional discovery may be permitted upon mutual agreement of the Parties. The arbitration hearing shall be commenced within sixty (60) Business Days of the demand for arbitration. The arbitration shall be held in a mutually agreeable city. The arbitrator shall control the scheduling so as to process the matter expeditiously. The Parties may submit written briefs. The arbitrator shall rule on the dispute by issuing a written opinion within thirty (30) Business Days after the close of hearings. The times specified in this section may be extended upon mutual agreement of the Parties or by the arbitrator upon a showing of good cause. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction.

18.4 Expedited Arbitration Procedures.

If the issue to be resolved through the negotiations referenced in Section 18.2 directly and materially affects service to either Party's end-user customers, then the period of resolution of the dispute through negotiations before the dispute is to be submitted to binding arbitration shall be five (5) Business Days. Once such a service affecting dispute is submitted to arbitration, the arbitration shall be conducted pursuant to the expedited procedures rules of the Commercial Arbitration Rules of the American Arbitration Association (i.e., rules 53 through 57).

18.5 Costs.

Each Party shall bear its own costs of these procedures. A Party seeking discovery shall reimburse the responding Party the costs of production of documents (including search time and reproduction costs). The Parties shall equally split the fees of the arbitration and the arbitrator.

18.6 Continuous Service.

The Parties shall continue providing services to each other during the pendency of any dispute resolution procedure, and the Parties shall continue to perform their obligations (including making payments in accordance with Article IV, Section 4 ) in accordance with this Agreement.

19. Entire Agreement.

This Agreement constitutes the entire agreement of the Parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, negotiations, proposals, and representations,

whether written or oral, and all contemporaneous oral agreements, negotiations, proposals, and representations concerning such subject matter. No representations, understandings, agreements, or warranties, expressed or implied, have been made or relied upon in the making of this Agreement other than those specifically set forth herein.

20. Expenses.

Except as specifically set out in this Agreement, each Party shall be solely responsible for its own expenses involved in all activities related to the subject of this Agreement.

21. Force Majeure.

In the event performance of this Agreement, or any obligation hereunder, is either directly or indirectly prevented, restricted, or interfered with by reason of fire, flood, earthquake or likes acts of God, wars, revolution, civil commotion, explosion, acts of public enemy, embargo, acts of the government in its sovereign capacity, labor difficulties, including without limitation, strikes, slowdowns, picketing, or boycotts, unavailability of equipment from vendor, changes requested by Customer, or any other circumstances beyond the reasonable control and without the fault or negligence of the Party affected, the Party affected, upon giving prompt notice to the other Party, shall be excused from such performance on a day-to-day basis to the extent of such prevention, restriction, or interference (and the other Party shall likewise be excused from performance of its obligations on a day-to-day basis until the delay, restriction or interference has ceased); *provided however*, that the Party so affected shall use diligent efforts to avoid or remove such causes of nonperformance and both Parties shall proceed whenever such causes are removed or cease.

22. Good Faith Performance.

In the performance of their obligations under this Agreement, the Parties shall act in good faith. In situations in which notice, consent, approval or similar action by a Party is permitted or required by any provision of this Agreement, such action shall not be conditional, unreasonably withheld or delayed.

23. Governing Law.

This Agreement shall be governed by and construed in accordance with the Telecommunications Act of 1996, applicable federal and (to the extent not inconsistent therewith) domestic laws of the state where the services are provided or the facilities reside and shall be subject to the exclusive jurisdiction of the courts therein.

24. Standard Practices.

The Parties acknowledge that Verizon shall be adopting some industry standard practices and/or establishing its own standard practices to various requirements hereunder applicable to the CLEC industry which may be added in the Guide. KMC agrees that Verizon may implement such practices to satisfy any Verizon obligations under this Agreement.

25. Headings.

The headings in this Agreement are inserted for convenience and identification only and shall not be considered in the interpretation of this Agreement.

26. Independent Contractor Relationship.

The persons provided by each Party shall be solely that Party's employees and shall be under the sole and exclusive direction and control of that Party. They shall not be considered employees of the other Party for any purpose. Each Party shall remain an independent contractor with respect to the other and shall be responsible for compliance with all laws, rules and regulations involving, but

not limited to, employment of labor, hours of labor, health and safety, working conditions and payment of wages. Each Party shall also be responsible for payment of taxes, including federal, state and municipal taxes, chargeable or assessed with respect to its employees, such as Social Security, unemployment, workers' compensation, disability insurance, and federal and state withholding. Each Party shall indemnify the other for any loss, damage, liability, claim, demand, or penalty that may be sustained by reason of its failure to comply with this provision.

27. Law Enforcement Interface.

- 27.1 Except to the extent not available in connection with Verizon's operation of its own business, Verizon shall provide seven day a week/twenty-four hour a day assistance to law enforcement persons for emergency traps, assistance involving emergency traces and emergency information retrieval on customer invoked CLASS services.
- 27.2 Verizon agrees to work jointly with KMC in security matters to support law enforcement agency requirements for taps, traces, court orders, etc. Charges for providing such services for KMC customers will be billed to KMC.
- 27.3 Verizon will, in non emergency situations, inform the requesting law enforcement agencies that the end-user to be wire tapped, traced, etc. is a KMC Customer and shall refer them to KMC.
- 27.4 Subsequent to the execution and approval of this Agreement by the Commission, the parties shall establish a separate contract or authorization agreement specific to the Nuisance Call Bureau (NCB) and Security Control Center (SCC) for CLEC procedures which will be in compliance with applicable state and federal laws.

28. Liability and Indemnity.

28.1 Indemnification.

Subject to the limitations set forth in Section 28.4 of this Article III, each Party agrees to release, indemnify, defend, and hold harmless the other Party from all losses, claims, demands, damages, expenses, suits, or other actions, or any liability whatsoever, including, but not limited to, costs and attorney's fees, whether suffered, made, instituted, or asserted by any other party or person, for invasion of privacy, personal injury to or death of any person or persons, or for losses, damages, or destruction of property, whether or not owned by others, proximately caused by the indemnifying Party's negligence or willful misconduct, regardless of form of action. The indemnified Party agrees to notify the other Party promptly, in writing, of any written claims, lawsuits, or demands for which it is claimed that the indemnifying Party is responsible under this Section and to cooperate in every reasonable way to facilitate defense or settlement of claims. The indemnifying Party shall have complete control over defense of the case and over the terms of any proposed settlement or compromise thereof. The indemnifying Party shall not be liable under this Section for settlement by the indemnified Party or any claim, lawsuit, or demand, if the indemnifying Party has not approved the settlement in advance, unless the indemnifying Party has had the defense of the claim, lawsuit, or demand tendered to it in writing and has failed to assume such defense. In the event of such failure to assume defense, the indemnifying Party shall be liable for any reasonable settlement made by the indemnified Party without approval of the indemnifying Party.

28.2 End-User and Content-Related Claims.

The Indemnifying Party agrees to release, indemnify, defend, and hold harmless the other Party, its affiliates, and any third-party provider or operator of facilities involved in the



provision of services, UNEs or Facilities under this Agreement (collectively, the "Indemnified Party") from all losses, claims, demands, damages, expenses, suits, or other actions, or any liability whatsoever, including, but not limited to, costs and attorney's fees, suffered, made, instituted, or asserted by the Indemnifying Party's end-users against an Indemnified Party arising from Services, UNEs or Facilities. The Indemnifying Party further agrees to release, indemnify, defend, and hold harmless the Indemnified Party from all losses, claims, demands, damages, expenses, suits, or other actions, or any liability whatsoever, including, but not limited to, costs and attorney's fees, suffered, made, instituted, or asserted by any third party against an Indemnified Party arising from or in any way related to actual or alleged defamation, libel, slander, interference with or misappropriation of proprietary or creative right, or any other injury to any person or property arising out of content transmitted by the Indemnifying Party and the Indemnified Party or such Party's end-users, or any other act or omission of the Indemnified Party or such Party's end-users.

28.3 DISCLAIMER.

EXCEPT AS SPECIFICALLY PROVIDED TO THE CONTRARY IN THIS AGREEMENT, PROVIDER MAKES NO REPRESENTATIONS OR WARRANTIES TO CUSTOMER CONCERNING THE SPECIFIC QUALITY OF ANY SERVICES, UNEs OR FACILITIES PROVIDED UNDER THIS AGREEMENT. PROVIDER DISCLAIMS, WITHOUT LIMITATION, ANY WARRANTY OR GUARANTEE OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING, OR FROM USAGES OF TRADE.

28.4 Limitation of Liability.

Each Party's liability, whether in contract, tort or otherwise, shall be limited to direct damages, which shall not exceed the monthly charges, plus any related costs/expenses Verizon may recover, including those under Section 17 above, and plus any costs/expenses for which the Parties specify reimbursement in this Agreement for the services or facilities for the month during which the claim of liability arose. Under no circumstance shall either Party be responsible or liable for indirect, incidental, or consequential damages, including, but not limited to, economic loss or lost business or profits, damages arising from the use or performance of equipment or software, or the loss of use of software or equipment, or any accessories attached thereto, delay, error, or loss of data. Should either Party provide advice, make recommendations, or supply other analysis related to the services or facilities described in this Agreement, this limitation of liability shall apply to provision of such advice, recommendations, and analysis.

28.5 Intellectual Property.

Neither Party shall have any obligation to defend, indemnify or hold harmless, or acquire any license or right for the benefit of, or owe any other obligation or have any liability to, the other based on or arising from any claim, demand, or proceeding by any third party alleging or asserting that the use of any circuit, apparatus, or system, or the use of any software, or the performance of any service or method, or the provision or use of any facilities by either Party under this Agreement constitutes direct or contributory infringement, or misuse or misappropriation of any patent, copyright, trademark, trade secret, or any other proprietary or intellectual property right of any third party.

29. Multiple Counterparts.

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which shall together constitute but one and the same document.

30. No Third Party Beneficiaries.

Except as may be specifically set forth in this Agreement, this Agreement does not provide and shall not be construed to provide third parties with any remedy, claim, liability, reimbursement, cause of action, or other right or privilege.

31. Notices.

Any notice to a Party required or permitted under this Agreement shall be in writing and shall be deemed to have been received on the date of service if served personally, on the date receipt is acknowledged in writing by the recipient if delivered by regular U.S. mail, or on the date stated on the receipt if delivered by certified or registered mail or by a courier service that obtains a written receipt. Upon prior immediate oral agreement of the parties' designated recipients identified below, notice may also be provided by facsimile, Internet or electronic messaging system, which shall be effective if sent before 5:00 p.m. on that day, or if sent after 5:00 p.m. it will be effective on the next Business Day following the date sent. Any notice shall be delivered using one of the alternatives mentioned in this section and shall be directed to the applicable address or Internet ID indicated below or such address as the Party to be notified has designated by giving notice in compliance with this section:

If to Verizon:

Verizon North Inc., f/k/a GTE North Incorporated  
Attention: Vice President & Associate General Counsel  
Verizon Wholesale Markets  
1515 N. Court House Road, Suite 500  
Arlington, VA 22201  
Facsimile number: 703/351-3664

and

Verizon North Inc., f/k/a GTE North Incorporated  
Attn: Director-Wholesale Contract Compliance  
Network Services  
600 Hidden Ridge - HQEWMNOTICES  
Irving, TX 75038  
Telephone Number: 972/718-5988  
Facsimile Number: 972/719-1519  
Internet Address: [wmnotices@verizon.com](mailto:wmnotices@verizon.com)

If to KMC:

KMC Telecom V, Inc.  
Attention: Mr. Michael Duke  
Director, Governmental Regulatory Affairs  
1755 North Brown Road  
Lawrenceville, Georgia 30043  
Telephone number: 678/985-6266  
Facsimile number: 678/985-6213  
Internet Address: [mduke@kmctelecom.com](mailto:mduke@kmctelecom.com)

And

Kelley Drye & Warren, LLP  
Attention: Genevieve Morelli  
Counsel to KMC Telecom V, Inc.  
1200 19<sup>th</sup> Street, NW  
Washington, DC 20036

Telephone number: 202/955-9600  
Facsimile number: 202/955-9792  
Internet Address: gmorelli@kelleydrye.com

32. Protection.

32.1 Impairment of Service.

The characteristics and methods of operation of any circuits, facilities or equipment of either Party connected with the services, facilities or equipment of the other Party pursuant to this Agreement shall not interfere with or impair service over any facilities of the other Party, its affiliated companies, or its connecting and concurring carriers involved in its services, cause damage to its plant, violate any applicable law or regulation regarding the invasion of privacy of any communications carried over the Party's facilities or create hazards to the employees of either Party or to the public (each hereinafter referred to as an "Impairment of Service").

32.2 Resolution.

If either Party causes an Impairment in Service, the Party whose network or service is being impaired (the "Impaired Party") shall promptly notify the Party causing the Impairment of Service (the "Impairing Party") of the nature and location of the problem and that, unless promptly rectified, a temporary discontinuance of the use of any circuit, facility or equipment may be required. The Impairing Party and the Impaired Party agree to work together to attempt to promptly resolve the Impairment of Service. If the Impairing Party is unable to promptly remedy the Impairment of Service, then the Impaired Party may at its option temporarily discontinue the use of the affected circuit, facility or equipment.

33. Publicity.

Any news release, public announcement, advertising, or any form of publicity pertaining to this Agreement, provision of Services, UNEs or Facilities pursuant to it, or association of the Parties with respect to provision of the services described in this Agreement shall be subject to prior written approval of both Verizon and KMC.

34. Regulatory Agency Control.

This Agreement shall at all times be subject to changes, modifications, orders, and rulings by the Federal Communications Commission and/or the applicable state utility regulatory commission to the extent the substance of this Agreement is or becomes subject to the jurisdiction of such agency.

35. Changes in Legal Requirements.

Verizon and KMC further agree that the terms and conditions of this Agreement were composed in order to effectuate the legal requirements in effect at the time the Agreement was produced. Any modifications to those requirements will be deemed to automatically supersede any terms and conditions of this Agreement.

36. Effective Date.

This Agreement will be effective only upon execution by both Parties and approval by the Commission in accordance with Section 252 of the Act. The "effective date" of this Agreement for all purposes will be as established by the Commission approval order. The Parties agree orders for services will not be submitted or accepted within the first ten (10) business days after the agreement is effective.

37. Regulatory Matters.

Each Party shall be responsible for obtaining and keeping in effect all FCC, state regulatory commission, franchise authority and other regulatory approvals that may be required in connection with the performance of its obligations under this Agreement.

If either Party does not provide necessary filing materials within 90 days of execution of this Agreement, any contract signatures will no longer be effective. If both Parties determine to proceed with filing, negotiations between the Parties will resume.

38. Rule of Construction.

No rule of construction requiring interpretation against the drafting Party hereof shall apply in the interpretation of this Agreement.

39. Section References.

Except as otherwise specified, references within an Article of this Agreement to a Section refer to Sections within that same Article.

40. OSS Performance Measurements.

40.1 The Parties will provide a level of service to each other with respect to services and facilities under this Agreement in compliance with the non-discrimination requirements of the Act..

40.2 The performance measurements detail the areas of performance to be tracked, reported and audited. Verizon will make available monthly performance measurement data via the internet on Verizon's WISE website. The results of these performance measurements shall be used to indicate the level of quality of service Verizon provides to KMC and satisfies Verizon's obligations under the Act or state law. Furthermore, Verizon expects to satisfy requirements for reporting and auditing as may be mandated by state law.

40.3 Performance measurements to measure quality of service are provisional and subject to continued evolution as driven by the industry and state commissions. Performance measurements, when developed and implemented on Verizon's WISE website (<http://www.gte.com/wise>), shall be made available to KMC and shall automatically modify and/or replace existing performance measurements Verizon currently makes available to all CLECs.

40.4 Verizon's performance measurements are made available on a nationwide basis to all qualifying CLECs. Such performance measurements provide for standards to measure the quality of services, elements or functions offered by Verizon within the following major categories:

(a) Pre-ordering activities relate to the exchange of information between Verizon and the CLEC regarding current or proposed customer products and services, or any other information required to initiate ordering of service. Pre-ordering encompasses the critical information needed to submit a provisioning order from the CLEC to Verizon. The pre-order measurement reports the timeliness with which pre-order inquiries are returned to CLECs by Verizon.

(b) Ordering activities include the exchange of information between Verizon and the CLEC regarding requests for service. Ordering includes: (1) the submittal of the service request from the CLEC, (2) rejection of any service request with errors and (3) confirmation that a valid service request has been received and a due date for the request assigned. Ordering performance measurements report on the timeliness with which these various activities are completed by Verizon. Also

captured within this category is reporting on the number of CLEC service requests that automatically generate a service order in Verizon's service order creation system.

- (c) Provisioning is the set of activities required to install, change or disconnect a customer's service. It includes the functions to establish or condition physical facilities as well as the completion of any required software translations to define the feature functionality of the service. Provisioning also involves communication between the CLEC and Verizon on the status of a service order, including any delay in meeting the commitment date and the time at which actual completion of service installation has occurred. Measurements in this category evaluate the quality of service installations, the efficiency of the installation process and the timeliness of notifications to the CLEC that installation is completed or has been delayed.
- (d) Maintenance involves the repair and restoral of customer service. Maintenance functions include the exchange of information between Verizon and CLEC related to service repair requests, the processing of trouble ticket requests by Verizon, actual service restoral and tracking of maintenance history. Maintenance measures track the timeliness with which trouble requests are handled by Verizon and the effectiveness and quality of the service restoral process.
- (e) Network performance involves the level at which Verizon provides services and facilitates call processing within its network. Verizon also has the responsibility to complete network upgrades efficiently. If network outages do occur, Verizon needs to provide notification so appropriate network management and customer notification can occur by CLECs. Network performance is evaluated on the quality of interconnection, the timeliness of notification of network outages and the timeliness of network upgrades (code openings) Verizon completes on behalf of the CLEC.
- (f) Billing involves the exchange of information necessary for CLECs to bill its customers, to process the end user's claims and adjustments, to verify Verizon's bill for services provided to the CLEC and to allow CLECs to bill for access. Billing measures have been designed to gauge the quality, timeliness and overall effectiveness of Verizon billing processes associated with CLEC customers.
- (g) Collocation: Verizon is required to provide to CLECs available space as required by law to allow the installation of CLEC equipment. Performance measures in this category assess the timeliness with which Verizon handles the CLEC's request for collocation as well as how timely the collocation arrangement is provided.
- (h) Database updates for directory assistance/listings and E911 include the processes by which these systems are updated with customer information which has changed due to the service provisioning activity. Measurements in this category are designed to evaluate the timeliness and accuracy with which changes to customer information, as submitted to these databases, are completed by Verizon.
- (i) Interfaces: Verizon provides the CLECs with choices for access to OSS pre-ordering, ordering, maintenance and repair systems. Availability of the interfaces is fundamental to the CLEC being able to effectively do business with Verizon. Additionally, in many instances, CLEC personnel must work with the service

personnel of Verizon. Measurements in this category assess the availability to the CLECs of systems and personnel at Verizon work centers.

41. Severability.

If any provision of this Agreement is held by a court or regulatory agency of competent jurisdiction to be unenforceable, the rest of the Agreement shall remain in full force and effect and shall not be affected unless removal of that provision results, in the opinion of either Party, in a material change to this Agreement. If a material change as described in this paragraph occurs as a result of action by a court or regulatory agency, the Parties shall negotiate in good faith for replacement language. If replacement language cannot be agreed upon within a reasonable period, either Party may terminate this Agreement without penalty or liability for such termination upon written notice to the other Party.

42. Subcontractors.

Provider may enter into subcontracts with third parties or affiliates for the performance of any of Provider's duties or obligations under this Agreement.

43. Subsequent Law.

The terms and conditions of this Agreement shall be subject to any and all applicable laws, rules, or regulations that subsequently may be prescribed by any federal, state or local governmental authority. To the extent required by any such subsequently prescribed law, rule, or regulation, the Parties agree to modify, in writing, the affected term(s) and condition(s) of this Agreement to bring them into compliance with such law, rule, or regulation.

44. Taxes.

Any state or local excise, sales, or use taxes (excluding any taxes levied on income) resulting from the performance of this Agreement shall be borne by the Party upon which the obligation for payment is imposed under applicable law, even if the obligation to collect and remit such taxes is placed upon the other Party. The collecting Party shall charge and collect from the obligated Party, and the obligated Party agrees to pay to the collecting Party, all applicable taxes, except to the extent that the obligated Party notifies the collecting Party and provides to the collecting Party appropriate documentation as Verizon requires that qualifies the obligated Party for a full or partial exemption. Any such taxes shall be shown as separate items on applicable billing documents between the Parties. The obligated Party may contest the same in good faith, at its own expense, and shall be entitled to the benefit of any refund or recovery, provided that such Party shall not permit any lien to exist on any asset of the other Party by reason of the contest. The collecting Party shall cooperate in any such contest by the other Party. The other Party will indemnify the collecting Party from any sales or use taxes that may be subsequently levied on payments by the other Party to the collecting Party.

44.1 Tax.

A charge which is statutorily imposed by the state or local jurisdiction and is either (a) imposed on the seller with the seller having the right or responsibility to pass the charge(s) on to the purchaser and the seller is responsible for remitting the charge(s) to the state or local jurisdiction or (b) imposed on the purchaser with the seller having an obligation to collect the charge(s) from the purchaser and remit the charge(s) to the state or local jurisdiction.

Taxes shall include but not be limited to: federal excise tax, state/local sales and use tax, state/local utility user tax, state/local telecommunication excise tax, state/local gross receipts tax, and local school taxes. Taxes shall not include income, income-like, gross

receipts on the revenue of a Provider, or property taxes. Taxes shall not include payroll withholding taxes unless specifically required by statute or ordinance.

44.2 Fees/Regulatory Surcharges.

A charge imposed by a regulatory authority, other agency, or resulting from a contractual obligation, in which the seller is responsible or required to collect the fee/surcharge from the purchaser and the seller is responsible for remitting the charge to the regulatory authority, other agency, or contracting party.

Fees/Regulatory Surcharges shall include but not be limited to E-911/911, E311/311, franchise fees, and Commission surcharges.

45. Trademarks and Trade Names.

Except as specifically set out in this Agreement, nothing in this Agreement shall grant, suggest, or imply any authority for one Party to use the name, trademarks, service marks, or trade names of the other for any purpose whatsoever.

46. Waiver.

The failure of either Party to insist upon the performance of any provision of this Agreement, or to exercise any right or privilege granted to it under this Agreement, shall not be construed as a waiver of such provision or any provisions of this Agreement, and the same shall continue in full force and effect.

47. Environmental Responsibility.

47.1 KMC is responsible for compliance with all laws regarding the handling, use, transport, storage, and disposal of, and for all hazards created by and damages or injuries caused by, any materials brought to or used at the Facility by KMC. In accordance with Section 47.10, KMC will indemnify Verizon for all claims, fees, penalties, damages, and causes of action with respect to these materials. No substantial new safety or environmental hazards shall be created or new hazardous substances shall be used at a Verizon Facility. KMC must demonstrate adequate training and emergency response capabilities related to materials brought to, used, or existing at the Verizon Facility.

47.2 KMC, its invitees, agents, employees, and contractors agree to comply with such reasonable environmental or safety practices/procedures, whether or not required by law, as requested by Verizon when working at a Verizon Facility. The Parties acknowledge and agree that nothing in this Agreement or in any of Verizon's practices/procedures constitutes a warranty or representation by Verizon that KMC's compliance with Verizon's practices/procedures, with this Agreement, or with Verizon's directions or recommendations will achieve compliance with any applicable law. KMC is responsible for ensuring that all activities conducted by KMC at the Facility are in accordance with all applicable federal, state, and local laws, regulations, permits, and agency orders, approvals, and authorizations relating to safety, health, and the environment.

47.3 Verizon and KMC shall provide to each other notice of known and recognized physical hazards or hazardous substances brought to, used, or existing at the Verizon Facility. Each Party is required to promptly provide specific notice of conditions or circumstances potentially posing a threat of imminent danger, including, by way of example only, a defective utility pole or significant petroleum contamination in a manhole.

47.4 KMC shall obtain and use its own environmental permits, approvals, or identification numbers to the extent that such permits, approvals, or identification numbers are required under applicable laws. If the relevant regulatory authority refuses to issue a separate

permit, approval, or identification number to KMC after a complete and proper request by KMC for same, then Verizon's permit, approval, or identification number may be used as authorized by law and upon prior approval by Verizon. In that case, KMC must comply with all of Verizon's environmental, health, and safety practices/procedures relating to the activity in question, including, but not limited to, use of environmental "best management practices (BMP)" and selection criteria for vendors and disposal sites. The Parties acknowledge and agree that nothing in this Agreement, use of Verizon's permits, approvals, or identification numbers, or compliance with Verizon's practices/procedures constitutes a representation or warranty that KMC's activities will be in compliance with applicable laws, and such compliance or use of Verizon's permits, approvals, or identification numbers creates no right of action against Verizon.

- 47.5 If Third Party Contamination is discovered at a Verizon Facility, the Party uncovering the contamination must timely notify the proper safety or environmental authorities, to the extent that such notification is required by applicable law. If KMC discovers Third Party Contamination, KMC will immediately notify Verizon and will consult with Verizon prior to making any required notification, unless the time required for prior consultation would preclude KMC from complying with an applicable reporting requirement.
- 47.6 Verizon and KMC shall coordinate plans or information required to be submitted to government agencies, such as, by way of example only, emergency response plans and chemical inventory reporting. If fees are associated with such filings, Verizon and KMC must develop a cost sharing procedure.
- 47.7 When conducting operations in any Verizon manhole or vault area, KMC shall follow appropriate practices/procedures in evaluating and managing any water, sediment, or other material present in the manhole or vault area so as to ensure compliance with all applicable laws, regulations, permits, and requirements applicable in such circumstances and to ensure safe practices. KMC shall be responsible for obtaining any permit, regulatory approval, or identification number necessary for any of its operations involving the evaluation, collection, discharge, storage, disposal, or other management of water, sediment, or other material present in a Verizon manhole or vault area. Verizon shall not be responsible for any costs incurred by KMC in meeting its obligations under this Section.
- 47.8 KMC shall provide reasonable and adequate compensation to Verizon for any additional or increased costs associated with compliance with any federal, state, or local law, regulation, permit, or agency requirement related to safety, health, or the environment where such additional or increased cost is incurred as a result of providing KMC with interconnection or collocation, including, but not limited to, costs associated with obtaining appropriate permits or agency authorizations or approvals, remediation or response to any release or threatened release of any regulated substance, investigation or testing related, and training or notification requirements.
- 47.9 Activities impacting safety or the environment of a Right of Way (ROW) must be harmonized with the specific agreement and the relationship between Verizon and the land owner. In this regard, KMC must comply with any limitations associated with a ROW, including, but not limited to, limitations on equipment access due to environmental conditions (e.g., wetland areas having equipment restrictions).
- 47.10 Notwithstanding Section 27, with respect to environmental responsibility under this Section 47, Verizon and KMC shall each indemnify, defend, and hold harmless the other Party from and against any claims (including, without limitation, third-party claims for personal injury or real or personal property damage), judgments, damages (including direct and indirect damage and punitive damages), penalties, fines, forfeitures, cost, liabilities, interest and losses arising from or in connection with (a) the indemnifying Party's negligent or willful misconduct, regardless of form; (b) the violation or alleged violation of any federal,



state, or local law, regulation, permit, or agency requirement relating to safety, health, or the environment; or (c) the presence or alleged presence of contamination arising out of the indemnifying Party's acts or omissions concerning its operations at the Verizon Facility.

48. TBD Prices.

Numerous provisions in this Agreement and its Attachments refer to pricing principles. If a provision references prices in an Attachment and there are no corresponding prices in such Attachment, such price shall be considered "To Be Determined" (TBD). With respect to all TBD prices, prior to KMC ordering any such TBD item, the Parties shall meet and confer to establish a price. If the Parties are unable to reach agreement on a price for such item, an interim price shall be set for such item that is equal to the price for the nearest analogous item for which a price has been established (for example, if there is not an established price for a non recurring charge (NRC) for a specific UNE, the Parties would use the NRC for the most analogous retail service for which there is an established price). Any interim prices so set shall be subject to modification by any subsequent decision of the Commission. If an interim price is different from the rate subsequently established by the Commission, any underpayment shall be paid by KMC to Verizon, and any overpayment shall be refunded by Verizon to KMC, within 45 Business Days after the establishment of the price by the Commission.

49. Amendment of Certain Rates, Terms and Conditions.

The rates, terms and conditions in this Agreement that are specified in Appendix 49A (the "AT&T") were taken from the Verizon/AT&T Interconnection, Resale and Unbundling Agreement (the AT&T Agreement) approved by the Commission in Docket No. 265-MA-102. The rates, terms and conditions not included in this Agreement but referenced in Appendix 49B (the "Verizon Terms") were excluded from the AT&T Agreement by the Commission in Docket No. 265-MA-102. Verizon and KMC agree that if the "AT&T Terms" are deemed to be unlawful, or are stayed, enjoined or otherwise modified, in whole or in part, by a court or commission of competent jurisdiction, then this Agreement shall be deemed to have been amended accordingly, by modification of the "AT&T Terms" or, as appropriate, the substitution of "Verizon Terms" for all stayed and enjoined "AT&T Terms", and such amendments shall be effective retroactive to the Effective Date of this Agreement.

Verizon and KMC further agree that the terms and conditions of this Agreement reflect certain requirements of the FCC's First Report and Order in CC Docket No. 96-98. The terms and conditions of this Agreement shall be subject to any and all actions by any court or other governmental authority that invalidate, stay, vacate or otherwise modify the FCC's First Report and Order, in whole or in part ("actions"). To the extent warranted by any such action, the parties agree that this Agreement shall be deemed to have been modified accordingly as in the first paragraph of this Section 49. The parties agree to immediately apply any affected terms and conditions, including any in other sections and articles of this Agreement, consistent with such action, and within a reasonable time incorporate such modified terms and conditions in writing into the Agreement. If the AT&T Terms are affected by such action and Verizon determines they cannot be consistently applied therewith, the Verizon Terms shall apply. KMC acknowledges that Verizon may seek to enforce such action before a commission or court of competent jurisdiction. Verizon does not waive any position regarding the illegality or inappropriateness of the FCC's First Report and Order.

The rates, terms and conditions (including rates which may be applicable under true-up) specified in both the "Verizon Terms" and the "AT&T Terms" are further subject to amendment, retroactive to the Effective Date of the Agreement, to provide for charges or rate adjustments resulting from future Commission or other proceedings, including but not limited to any generic proceeding to determine Verizon's unrecovered costs (e.g., historic costs, contribution, undepreciated reserve deficiency, or similar unrecovered Verizon costs (including Verizon's end user surcharge)), the establishment of a competitively neutral universal service system, or any appeal or other litigation.

If the Commission (or any other commission or federal or state court) in reviewing this Agreement pursuant to applicable state and federal laws, including Section 252(e) of the Telecommunications Act of 1996, deletes or modifies in any way this Section 49, KMC agrees that this entire Agreement is void and will not become effective, and KMC agrees to withdraw this Agreement from consideration by the Commission (or any other commission or federal or state court).

ARTICLE IV  
GENERAL RULES GOVERNING RESOLD SERVICES  
AND UNBUNDLED ELEMENTS

1. General.

General regulations, terms and conditions governing rate applications, technical parameters, service availability, definitions and feature interactions, as described in the appropriate Verizon intrastate local, toll and access tariffs, apply to retail services made available by Verizon to KMC for resale and UNEs provided by Verizon to KMC, when appropriate, unless otherwise specified in this Agreement. As applied to services or UNEs offered under this Agreement, the term "Customer" contained in the Verizon Retail Tariff shall be deemed to mean "KMC" as defined in this Agreement.

2. Liability of Verizon.

2.1 Inapplicability of Tariff Liability.

Verizon's general liability, as described in the Verizon Retail Tariff, does not extend to KMC's customers or any other third party. Liability of Verizon to KMC resulting from any and all causes arising out of services, facilities, UNEs or any other items relating to this Agreement shall be governed by the liability provisions contained in this Agreement and no other liability whatsoever shall attach to Verizon. Verizon shall be liable for the individual services, facilities or elements that it separately provides to KMC and shall not be liable for the integration of components combined by KMC.

2.2 KMC Tariffs or Contracts.

KMC shall, in its tariffs or other contracts for services provided to its end-users using services, facilities or UNEs obtained from Verizon, provide that in no case shall Verizon be liable to KMC's end-users or any third parties for any indirect, special or consequential damages, including, but not limited to, economic loss or lost business or profits, whether foreseeable or not, and regardless of notification by KMC of the possibility of such damages and KMC shall indemnify and hold Verizon harmless from any and all claims, demands, causes of action and liabilities based on any reason whatsoever from its customers as provided in this Agreement. Nothing in this Agreement shall be deemed to create a third-party beneficiary relationship with KMC's end-users.

2.3 No Liability for Errors.

Verizon is not liable for mistakes that appear in Verizon's listings, 911 and other information databases, or for incorrect referrals of end-users to KMC for any ongoing KMC service, sales or repair inquiries, and with respect to such mistakes or incorrect referrals, KMC shall indemnify and hold Verizon harmless from any and all claims, demands, causes of action and liabilities whatsoever, including costs, expenses and reasonable attorney's fees incurred on account thereof, by third parties, including KMC's end-users or employees. For purposes of this Section 2.3, mistakes and incorrect referrals shall not include matters arising out of the willful misconduct of Verizon or its employees or agents.

3. Unauthorized Changes.

3.1 Procedures.

If KMC submits an order for resold services or unbundled elements under this Agreement in order to provide service to an end-user that at the time the order is submitted is obtaining

its local services from Verizon or another LEC using Verizon resold services or unbundled elements, and the end-user notifies Verizon that the end-user did not authorize KMC to provide local exchange services to the end-user, KMC must provide Verizon with written documentation of authorization from that end-user within thirty (30) Business Days of notification by Verizon. If KMC cannot provide written documentation of authorization within such time frame, KMC must within three (3) Business Days thereafter:

- (a) notify Verizon to change the end-user back to the LEC providing service to the end-user before the change to KMC was made; and
- (b) provide any end-user information and billing records KMC has obtained relating to the end-user to the LEC previously serving the end-user; and
- (c) notify the end-user and Verizon that the change back to the previous LEC has been made.

Furthermore, Verizon will bill KMC fifty dollars (\$50.00) per affected line to compensate Verizon for switching the end-user back to the original LEC.

4. Impact of Payment of Charges on Service.

KMC is solely responsible for the payment of all charges for all services, facilities and elements furnished under this Agreement, including, but not limited to, calls originated or accepted at its or its end-users' service locations. If KMC fails to pay when due any and all charges billed to KMC under this Agreement, including any late payment charges (collectively, "Unpaid Charges"), and any or all such charges remain unpaid more than forty-five (45) calendar days after the bill date of such Unpaid Charges excepting previously disputed charges for which KMC may withhold payment, Verizon shall notify KMC in writing that it must pay all Unpaid Charges to Verizon within seven (7) Business Days. If KMC disputes the billed charges, it shall, within said seven (7) day period, inform Verizon in writing of which portion of the Unpaid Charges it disputes, including the specific details and reasons for the dispute, unless such reasons have been previously provided, and shall immediately pay to Verizon all undisputed charges. If KMC and Verizon are unable, within thirty (30) Business Days thereafter, to resolve issues related to the disputed charges, then either KMC or Verizon may file a request for arbitration under Article III of this Agreement to resolve those issues. Upon resolution of any dispute hereunder, if KMC owes payment it shall make such payment to Verizon with any late payment charge under Article III, Section 10.3, from the original payment due date. If KMC owes no payment, but has previously paid Verizon such disputed payment, then Verizon shall credit such payment including any late payment charges. If KMC fails to pay any undisputed Unpaid Charges, KMC shall, at its sole expense, within five (5) Business Days notify its end-users that their service may be disconnected for KMC's failure to pay Unpaid Charges, and that its end-users must select a new provider of local exchange services. Verizon may discontinue service to KMC upon failure to pay undisputed charges as provided in this Section 4, and shall have no liability to KMC or KMC's end-users in the event of such disconnection. If KMC fails to provide such notification or any of KMC's end-users fail to select a new provider of services within the applicable time period, Verizon may provide local exchange services to KMC's end-users under Verizon's applicable end-user tariff at the then current charges for the services being provided. In this circumstance, otherwise applicable service establishment charges will not apply to KMC's end-user, but will be assessed to KMC.

5. Unlawful Use of Service.

Services, facilities or unbundled elements provided by Verizon pursuant to this Agreement shall not be used by KMC or its end-users for any purpose in violation of law. KMC, and not Verizon, shall be responsible to ensure that KMC and its end-users use of services, facilities or unbundled

elements provided hereunder comply at all times with all applicable laws. Verizon may refuse to furnish service to KMC or disconnect particular services, facilities or unbundled elements provided under this Agreement to KMC or, as appropriate, KMC's end-user when (i) an order is issued by a court of competent jurisdiction finding that probable cause exists to believe that the use made or to be made of the service, facilities or unbundled elements is prohibited by law or (ii) Verizon is notified in writing by a law enforcement agency acting within its jurisdiction that any facility furnished by Verizon is being used or will be used for the purpose of transmitting or receiving gambling information in interstate or foreign commerce in violation of law. Termination of service shall take place after reasonable notice is provided to KMC, or as ordered by the court. If facilities have been physically disconnected by law enforcement officials at the premises where located, and if there is not presented to Verizon the written finding of a court, then upon request of KMC and agreement to pay restoral of service charges and other applicable service charges, Verizon shall promptly restore such service.

6. Timing of Messages.

With respect to Verizon resold measured rate local service(s), chargeable time begins when a connection is established between the calling station and the called station. Chargeable time ends when the calling station "hangs up," thereby releasing the network connection. If the called station "hangs up" but the calling station does not, chargeable time ends when the network connection is released by automatic timing equipment in the network. Timing of messages applicable to Verizon's Port and Local Switching element (usage sensitive services) will be recorded based on originating and terminating access.

7. Procedures For Preordering, Ordering, Provisioning, Etc.

Certain procedures for preordering, ordering, provisioning, maintenance and billing and electronic interfaces for many of these functions are governed by the Verizon Guide. In accordance with Article III, Section 7, Verizon will not process resale or unbundled network element orders until the KMC Profile has been completed and returned; and, if required, an advanced deposit paid.

8. Letter of Authorization

- 8.1 Verizon will not release the Customer Service Record (CSR) containing Customer Proprietary Network Information (CPNI) to KMC on Verizon end-user customer accounts unless KMC first provides to Verizon a written Letter of Authorization (LOA). Such LOA may be a blanket LOA or other form agreed upon between Verizon and KMC authorizing the release of such information to KMC or if state or federal law provides otherwise, in accordance with such law.
- 8.2 An (LOA) will be required before Verizon will process an order for Services provided in cases in which the subscriber currently receives Exchange Service from Verizon or from a local service provider other than KMC. Such LOA may be a blanket LOA or such other form as agreed upon between Verizon and KMC.

9. Customer Contacts.

Except as otherwise provided in this Agreement or as agreed to in a separate writing by KMC, KMC shall provide the exclusive interface with KMC's end-user customers in connection with the marketing or offering of KMC services. Except as otherwise provided in this Agreement, in those instances in which Verizon personnel are required pursuant to this Agreement to interface directly with KMC's end-users, such personnel shall not identify themselves as representing Verizon. All forms, business cards or other business materials furnished by Verizon to KMC end-users shall be generic in nature. In no event shall Verizon personnel acting on behalf of KMC pursuant to this

Agreement provide information to KMC end-users about Verizon products or services unless otherwise authorized by KMC.

## ARTICLE V

### INTERCONNECTION AND TRANSPORT AND TERMINATION OF TRAFFIC

#### 1. Services Covered by This Article.

##### 1.1 Types of Services.

This Article governs the provision of internetwork facilities (i.e., physical interconnection services and facilities), Meet-Point Billing (MPB) by Verizon to KMC or by KMC to Verizon and the transport and termination and billing of Local, IntraLATA Toll, optional EAS traffic and jointly provided Interexchange Carrier (IXC) access between Verizon and KMC. The services and facilities described in this Article shall be referred to in this Article V as the "Services."

1.1.1 KMC initiates orders for trunk-side interconnection services by sending an ASR to Verizon. KMC should submit ASRs to Verizon through on-line applications or electronic files. The ordering process is described in the Verizon Guide. The ASR will be reviewed by Verizon for validation and correction of errors. Errors will be referred back to KMC. KMC then will correct any errors that Verizon has identified and resubmit the request to Verizon electronically through a supplemental ASR.

#### 2. Billing and Rates.

##### 2.1 Service Ordering, Service Provisioning, and Billing.

KMC will order services for interim number portability, directly from Verizon through an electronic interface or fax. The following describes generally the processes Verizon will use for ordering, provisioning and billing for interconnection facilities and services. Except as specifically provided otherwise in this Agreement, service ordering, provisioning, billing and maintenance shall be governed by the Verizon Guide.

##### 2.2 Rates and Charges.

Customer agrees to pay to Provider the rates and charges for the Services set forth in the applicable appendices to this Agreement. Verizon's rates and charges are set forth in Appendix A attached to this Agreement and made a part hereof. KMC's separate rates and charges are also set forth in Appendix A attached hereto and made a part hereof.

##### 2.3 Billing.

Provider shall render to Customer a bill for interconnection services on a current basis. Charges for physical facilities and other non-usage sensitive charges shall be billed in advance, except for charges and credits associated with the initial or final bills. Usage sensitive charges, such as charges for termination of Local Traffic, shall be billed in arrears. KMC is required to order trunks pursuant to Section 4.3.3 of this Article.

##### 2.4 Billing Specifications.

The Parties agree that billing requirements and outputs will be consistent with the Telcordia Technologies Billing Output Specifications (BOS).

2.4.1 Usage Measurement: Usage measurement for calls shall begin when Answer Supervision or equivalent Signaling System 7 (SS7) message is received from the

terminating office and shall end at the time of call disconnect by the calling or called subscriber, whichever occurs first.

- 2.4.2 Minutes of use (MOU), or fractions thereof, shall not be rounded upward on a per-call basis, but will be accumulated over the billing period. At the end of the billing period, any remaining fraction shall be rounded up to the nearest whole minute to arrive at total billable minutes for each interconnection. MOU shall be collected and measured in minutes, seconds, and tenths of seconds.

3. Transport and Termination of Traffic.

3.1 Traffic to be Exchanged.

The Parties shall reciprocally terminate Local, IntraLATA Toll, optional EAS and jointly provided IXC traffic (or other traffic the Parties agree to exchange) originating on each other's networks utilizing either Direct or Indirect Network Interconnections as provided in Section 4 or Section 5 herein. To this end, the Parties agree that there will be interoperability between their networks. The Parties agree to exchange traffic associated with third party LECs, CLECs and Wireless Service Providers pursuant to the compensation arrangement specified in Section 3.3 herein. In addition, the Parties will notify each other of any anticipated change in traffic to be exchanged (e.g., traffic type, volume).

3.2 Compensation For Exchange Of Traffic.

3.2.1 Mutual Compensation. The Parties shall compensate each other for the exchange of Local Traffic originated by or terminating to the Parties' end-user customers in accordance with Section 3.2.2 of this Article. The Parties agree to the initial state level exempt factor representative of the share of traffic exempt from local compensation. This initial exempt factor is set forth in Appendix A. This factor will be updated quarterly in like manner or as the Parties otherwise agree. Once the traffic that is exempt from local compensation can be measured, the actual exempt traffic will be used rather than the above factor. Charges for the transport and termination of optional EAS, intraLATA toll and interexchange traffic shall be in accordance with the Parties' respective intrastate or interstate access tariffs, as appropriate.

3.2.2 Bill-and-Keep. The Parties shall assume that Local Traffic originated by or terminating to the Parties' end-user customers is roughly balanced between the parties unless traffic studies indicate otherwise. Accordingly, the Parties agree to use a Bill-and-Keep Arrangement with respect to termination of Local Traffic only. Either Party may request that a traffic study be performed no more frequently than once a quarter. Should such traffic study indicate, in the aggregate, that either Party is terminating more than 60 percent of the Parties' total terminated minutes for Local Traffic, either Party may notify the other that mutual compensation will commence pursuant to the rates set forth in Appendix A of this Agreement and following such notice it shall begin and continue for the duration of the Term of this Agreement unless otherwise agreed. Nothing in this Section 3.2.2 shall be interpreted to (i) change compensation set forth in this Agreement for traffic or services other than Local Traffic, including but not limited to internetwork facilities, access traffic or wireless traffic, or (ii) allow either Party to aggregate traffic other than Local Traffic for the purpose of compensation under the Bill-and-Keep Arrangement described in this Section 3.2.2, except as set forth in Section 3.1 above.



- 3.2.3 Compensation for Terminating Access Charges on Calls to Ported Numbers. The Parties agree that a meet point billing arrangement will be used to bill for terminating switched access charges associated with calls terminated to a ported number. Each Party will bill the IXCs applicable switched access rate elements for functions provided over each respective Party's facilities. The Parties will follow any industry standards established for call record exchanges for meet point billing. Until industry standards for call record exchanges are established for interim number portability, the Parties agree that switched access termination to a ported number will be billed by the party providing interim number portability and that the party billing the switched access will share the switched access revenue with the other Party. The Party providing interim number portability is entitled to keep the portion of collected access revenue associated with tandem switching, transport, and residual/transport interconnection charge rate elements, as applicable. The party terminating ported calls is entitled to receive the portion of collected access revenue associated with the end office switching rate elements. As part of this revenue sharing arrangement, the Parties agree to compensate each other as specified in Appendix B.
- 3.2.3.1 As part of the revenue sharing arrangement described in Section 3.2.3 the number of lines per ported number that are subject to compensation will be determined at the time the end user customer's local service is changed from one party to the other. The number of lines per ported number eligible for the shared revenue arrangement described in this section will be limited to the number of lines in service on the date of conversion plus a 10% growth margin. After conversion the number of lines per ported number available for compensation can only be increased by mutual consent of the Parties.
- 3.2.3.2 As part of the revenue sharing arrangement described in Section 3.2.3 the Parties agree that the compensation rates may change as a result of changes in access rates, traffic volume or for other reasons and agree to renegotiate the rates if a significant event occurs. At a minimum, the Parties agree to reevaluate the rates on an annual basis.
- 3.2.3.3 The Parties agree that terminating switched access calls ported via interim number portability may appear to the receiving Party to be a local call and that the implementation of reciprocal compensation for terminating local calls may result in overcompensation for ported switched access calls. The Parties agree that no charges shall be applied to the ported switched access calls as part of the local traffic termination. When the access revenue sharing arrangement described in Section 3.2.3 is in effect, the Parties agree to renegotiate the terminating shared access compensation rates if reciprocal compensation for local calls is implemented.
- 3.2.3.4 As part of the revenue sharing arrangement described in Section 3.2.3 the Party receiving the payments on a per line per month basis agrees to provide the following information on its invoice: Name of the end user accounts, the ported telephone numbers, the telephone numbers assigned to the lines in its switch, the INP methods used, class of service, and dates of initial installation and disconnects.
- 3.2.3.5 Upon implementation of permanent local number portability, the Parties agree to transition all interim number portability customers and their

services to permanent local number portability methods within a mutually agreed upon time frame and discontinue use of further interim methods of number portability.

### 3.3 Tandem Switching Traffic.

The Parties will provide tandem switching for traffic between the Parties' end offices subtending each other's access tandem, as well as for traffic between either Party's end-users and any third party which is interconnected to the other Party's access tandems as follows:

- 3.3.1 The originating Party will compensate the tandem Party for each minute of originated tandem switched traffic which terminates to third party (e.g., other CLEC, ILEC, or wireless service provider). The applicable rate for this charge is the tandem transiting charge identified in Appendix A.
- 3.3.2 The originating Party also assumes responsibility for compensation to the company which terminates the call.
- 3.3.3 The Parties agree to enter into their own agreements with third-party providers. In the event that KMC sends traffic through Verizon's network to a third-party provider with whom KMC does not have a traffic interexchange agreement, then KMC agrees to indemnify Verizon for any termination charges rendered by a third-party provider for such traffic.

### 3.4 Inter-Tandem Switching.

The Parties will only use inter-tandem switching for the transport and termination of intraLATA toll traffic originating on each other's network at and after such time as either KMC has agreed to and fully implemented an existing intraLATA toll compensation mechanism such as IntraLATA Terminating Access Compensation (ITAC) or a functional equivalent thereof. The Parties will only use inter-tandem switching for the transport and termination of Local Traffic originating on each other's network at and after such time as the Parties have agreed to and fully implemented generally accepted industry signaling standards and Automated Message Accounting (AMA) record standards which shall support the recognition of multiple tandem switching events.

## 4. Direct Network Interconnection.

### 4.1 Network Interconnection Architecture.

KMC may interconnect with Verizon on its network at any of the minimum Currently Available points required by the FCC. Interconnection at additional points will be reviewed on an individual case basis. Where the Parties mutually agree following a Bona Fide Request (BFR) to directly interconnect their respective networks, interconnection will be as specified in the following subsections. Based on the configuration, the installation time line will vary considerably, however, Verizon will work with KMC in all circumstances to install IPs within 120 calendar days absent extenuating circumstances. Internetwork connection and protocol must be based on industry standards developed consistent with Section 256 of the Act.

- 4.1.1 Subject to mutual agreement, the Parties may use the following types of network facility interconnection, using such interface media as are (i) appropriate to support the type of interconnection requested and (ii) available at the facility at which interconnection is requested.

- (a) A Mid-Span Fiber Meet within an existing Verizon exchange area whereby the Parties mutually agree to jointly plan and engineer their facility IP at a designated manhole or junction location. The IP is the demarcation between ownership of the fiber transmission facility. Each party is individually responsible for its incurred costs in establishing this arrangement.
- (b) A virtual or physical Expanded Interconnection Service (EIS) arrangement at a Verizon Wire Center subject to the rates, terms, and conditions contained in Verizon's applicable tariffs.
- (c) A special access and/or CLEC Dedicated Transport arrangement terminating at a Verizon Wire Center subject to the rates, terms, and conditions contained in Verizon's applicable tariffs. These facilities will meet the standards set forth in such tariffs.

4.1.2 Virtual and physical EIS arrangements are governed by appropriate Verizon tariffs, except as provided in Article IX and Appendix G.

4.1.3 The Parties will mutually designate at least one IP on Verizon's network within each Verizon local calling area for the routing of Local Traffic.

#### 4.2 Compensation.

The Parties agree to the following compensation for internetwork facilities, depending on facility type. Only Local Traffic and IntraLATA Toll Traffic will be used for calculation of this compensation.

- 4.2.1 Mid-Span Fiber Meet: Verizon will charge special access (flat rated) transport from the applicable intrastate access tariff and will rate charges between the IP and Verizon's interconnection switch. Charges will be reduced to reflect the proportionate share of the facility that is used for transport of traffic originated by Verizon. The initial proportionate share factor for facilities is set forth in Appendix A. This factor will be updated quarterly in like manner or as the Parties otherwise agree. KMC will charge flat rated transport to Verizon for KMC facilities used by Verizon at tariffed rates or as mutually agreed. KMC will apply charges based on the lesser of; (i) the airline mileage from the IP to the KMC switch; or (ii) the airline mileage from the Verizon switch to the serving area boundary.
- 4.2.2 Collocation: Verizon will charge Virtual or Physical EIS rates from the applicable Verizon tariff. KMC will charge Verizon flat rated transport at tariffed rates or as mutually agreed, to reflect the proportionate share of the facility that is used for transport of traffic originated by Verizon. KMC will apply charges based on the lesser of (i) the airline mileage from the IP to the KMC switch; or (ii) two (2) times the airline mileage from the Verizon switch to the serving area boundary.
- 4.2.3 Special Access and/or CLEC Dedicated Transport: Verizon will charge special access and/or switched access rates from the applicable Verizon intrastate access tariff. Charges will be reduced to reflect the proportionate share of the facility that is used for transport of traffic originated by Verizon. The Parties will negotiate an initial factor representative of the proportionate share of the facilities. This factor will be updated quarterly in like manner or as the Parties otherwise agree.

#### 4.3 Trunking Requirements.

In accordance with Article III, Section 12, it will be necessary for the Parties to have met and agreed on trunking availability and requirements in order for the Parties to begin exchange of traffic.

- 4.3.1. The Parties agree to establish trunk groups of sufficient capacity from the interconnecting facilities such that trunking is available to any switching center designated by either Party, including end offices, tandems, 911 routing switches, and directory assistance/operator service switches. The Parties will mutually agree where one-way or two-way trunking will be available. The Parties may use two-way trunks for delivery of Local Traffic or either Party may elect to provision its own one-way trunks for delivery of Local Traffic to the other Party. If a Party elects to provision its own one-way trunks, that Party will be responsible for its own expenses associated with the trunks.
- 4.3.2. KMC shall make available to Verizon trunks over which Verizon shall terminate to end-users of KMC-provided Exchange Services, Local Traffic and intraLATA toll or optional EAS traffic originated from end-users of Verizon-provided Exchange Service.
- 4.3.3. KMC and Verizon shall, where applicable, make reciprocally available, by mutual agreement, the required trunk groups to handle different traffic types. KMC and Verizon will support the provisioning of trunk groups that carry combined or separate Local Traffic and intraLATA toll and optional EAS traffic. Verizon requires separate trunk groups from KMC to originate and terminate interLATA calls and to provide Switched Access Service to IXC. To the extent KMC desires to have any IXCs originate or terminate switched access traffic to or from KMC, using jointly provided switched access facilities routed through a Verizon access tandem, it is the responsibility of KMC to arrange for such IXC to issue an ASR to Verizon to direct Verizon to route the traffic. If Verizon does not receive an ASR from the IXC, Verizon will initially route the switched access traffic between the IXC and KMC. If the IXC subsequently indicates that it does not want the traffic routed to or from KMC, Verizon will not route the traffic.
  - 4.3.3.1 Each Party agrees to route traffic only over the proper jurisdictional trunk group.
  - 4.3.3.2 Each Party shall only deliver traffic over the local interconnection trunk groups to the other Party's access tandem for those publicly-dialable NXX Codes served by end offices that directly subtend the access tandem or to those wireless service providers that directly subtend the access tandem.
  - 4.3.3.3 Neither party shall route Switched Access Service traffic over local interconnection trunks, or Local Traffic over Switched Access Service trunks.
- 4.3.4. End-Office Trunking. The Parties will work together to establish high usage end-office trunk groups sufficient to handle the greater of the actual or reasonably forecasted traffic volumes between a KMC end office and a Verizon end office.
- 4.3.5. KMC and Verizon will reciprocally provide Percent Local Usage (PLU) factors to each other on a semi-annual basis to identify the proper percent of Local Traffic carried on local interconnection trunks. If either Party does not provide to the other

Party an updated PLU, the previous PLU will be utilized. The parties agree to the initial PLU factor as set forth in Appendix A.

- 4.3.6. Reciprocal traffic exchange arrangement trunk connections shall be made at a DS-1 or multiple DS-1 level, DS-3, (Synchronous Optical Network (SONET)) where technically available) and shall be jointly-engineered to the appropriate industry grade of service standard B.01 or B.005.
- 4.3.7. KMC and Verizon agree to use diligent efforts to develop and agree on a Joint Interconnection Grooming Plan prescribing standards to ensure that the reciprocal traffic exchange arrangement trunk groups are maintained at the appropriate industry grades of service standard B.01 or B.005. Such plan shall also include mutually-agreed upon default standards for the configuration of all segregated trunk groups.
- 4.3.8. SS7 Common Channel Signaling will be used to the extent that such technology is available. If SS7 is not available, Multi-Frequency Signaling (MF) will be used as specified.
- 4.3.9. The Parties agree to offer and provide to each other B8ZS Extended Superframe Format (ESF) facilities, where available, capable of voice and data traffic transmission.
- 4.3.10. The Parties will support intercompany 64kbps clear channel where available.
- 4.3.11. Orders between the Parties to establish, add, change or disconnect trunks shall be processed by use of an Access Service Request (ASR), or another industry standard eventually adopted to replace the ASR for local service ordering.

#### 4.4 Trunk Forecasting.

- 4.4.1 The Parties will develop joint forecasting of trunk groups in accordance with Article III, Section 12. Intercompany forecast information must be provided by the Parties to each other twice a year. The semi-annual forecasts will include:
  - 4.4.1.1 yearly forecasted trunk quantities for no less than a two-year period (current year, plus one year); and
  - 4.4.1.2 the use of (i) CLCI? -MSG codes, which are described in Telcordia Technologies document BR 795-100-100; (ii) circuit identifier codes as described in BR 795-400-100; and (iii) Trunk Group Serial Number (TGSN) as described in BR 751-100-195.
- 4.4.2 Description of major network projects that affect the other Party will be provided with the semi-annual forecasts provided pursuant to Section 4.4.1. Major network projects include but are not limited to trunking or network rearrangements, shifts in anticipated traffic patterns, or other activities by either Party that are reflected by a significant increase or decrease in trunking demand for the following forecasting period.
- 4.4.3 Parties will meet to review and reconcile their forecasts if their respective forecasts differ significantly from one another.

4.5 Trunk Facility Under Utilization.

At least once a year the Parties shall exchange trunk group measurement reports for trunk groups terminating to the other Party's network. In addition and from time to time, each Party will determine the required trunks for each of the other Party's trunk groups from the previous 12 months servicing data. Required trunks will be based on the appropriate grade of service standard (B.01 or B.005) or the Joint Interconnection Grooming Plan referenced in Section 4.3.7. When a condition of excess capacity is identified, Verizon will facilitate a review of the trunk group existing and near term (3 to 6 months) traffic requirements with the customer for possible network efficiency adjustment.

4.6 Network Redesigns Initiated by Verizon.

Verizon will not charge KMC when Verizon initiates its own network redesigns/reconfigurations.

4.7 Interconnection Calling and Called Scopes for the Access Tandem Interconnection and the End Office Interconnection.

4.7.1 Verizon Access Tandem Interconnection calling scope (originating and terminating) is to those Verizon end offices which subtend the Verizon access tandem to which the connection is made except as provided for in Section 3.3 of this Article V.

4.7.2 Verizon End Office Interconnection calling scope (originating and terminating) is only to the end office and its remotes to which the connection is made.

5. Indirect Network Interconnection.

Neither Party shall deliver traffic destined to terminate at the other Party's end office via another LEC's end office. In addition, neither Party shall deliver traffic destined to terminate at an end office subtending the other Party's access tandem via another LEC's access tandem until such time as compensation arrangements have been established in accordance with this Article V, Sections 3.1 and 3.4.

6. Number Resources.

6.1 Number Assignment.

Nothing in this Agreement shall be construed to, in any manner, limit or otherwise adversely impact KMC's right to employ or to request and be assigned any NANP number resources including, but not limited to, Central Office (NXX) Codes pursuant to the Central Office Code Assignment Guidelines. Any request for numbering resources by KMC shall be made directly to the NANP Number Plan Administrator. Except with respect to those areas in which Verizon is the NANP Number Plan Administrator, Verizon shall not be responsible for the requesting or assignment of number resources to KMC. The Parties agree that disputes arising from numbering assignment shall be arbitrated by the NANP Number Plan Administrator. KMC shall not request number resources to be assigned to any Verizon switching entity.

6.1.1 Each Party shall be responsible for notifying its customers of any changes in numbering or dialing arrangements to include changes such as the introduction of new NPAs or new NXX codes. Each Party is responsible for administering NXX codes assigned to it.

6.2 Rate Centers.

For purposes of compensation between the Parties and the ability of the Parties to appropriately apply their toll rates to their end-user customers, KMC shall adopt the Rate Center areas and Rate Center points that the Commission has approved for the ILECs and shall assign whole NPA-NXX codes to each Rate Center.

6.3 Routing Points.

KMC will also designate a Routing Point for each assigned NXX code. KMC may designate one location within each Rate Center as a Routing Point for the NPA-NXX associated with that Rate Center; alternatively KMC may designate a single location within one Rate Center to serve as the Routing Point for all the NPA-NXXs associated with that Rate Center and with one or more other Rate Centers served by KMC within an existing Verizon exchange area and LATA.

6.4 Code and Numbers Administration.

The Parties will comply with code administration requirements as prescribed by the FCC, the Commission, and accepted industry guidelines. Where Verizon is the NANP Number Plan Administrator, Verizon will administer number resources, and charge for such administration in accord with applicable rules and regulations. Verizon will administer numbering resources in a competitively neutral manner, and process requests for NXX codes in a timely manner and in accord with industry standards. The Parties shall protect KMC proprietary information that may be submitted to Verizon in connection with Verizon's responsibilities as NANP Number Plan Administrator in accordance with Article III, Section 14 of this Agreement.

6.5 Programming Switches.

It shall be the responsibility of each Party to program and update its own switches and network systems pursuant to the Local Exchange Routing Guide (LERG) to recognize and route traffic to the other Party's assigned NXX codes. Neither Party shall impose any fees or charges whatsoever on the other Party for such activities.

7. Number Portability (NP).

7.1 Interim Number Portability (INP).

Each Party shall provide the other Party with service provider number portability as an INP option for the purpose of allowing end-user customers to change service-providing Party without changing their telephone number. The Parties shall provide service provider number portability to each other using remote call forwarding ("RCF") and/or direct inward dialing (DID). The requesting Party will provide "forward to" telephone number that is within the same Wire Center. The Verizon rates for INP service using RCF are set out in Appendix B attached to this Agreement and made a part hereof. KMC shall provide INP to Verizon at the rates specified for KMC in Appendix B.

If a Party wishes to use Direct Inward Dialing (DID) to provide INP to its end-users, dedicated trunk group is required between the Verizon end office where the DID numbers are served into the CLEC switch. If there are no existing facilities between Verizon and the CLEC, the dedicated facilities and transport trunks will be provisioned as switched access or unbundled service using the ASR provisioning process. The requesting Party will reroute the DID numbers to the pre-positioned trunk group using an Local Service Request (LSR). CLEC may purchase DID trunk service from Verizon's tariff.

7.2 Local Number Portability (LNP).

- 7.2.1 The Parties agree that they shall develop and deploy number portability in accordance with the Act, such binding FCC and state mandates, and industry standards, as may be applicable.
- 7.2.2 The Parties agree that all INP accounts will be converted to LNP within a reasonable period of time after the conversion of a switch to commercially available LNP, and that a reasonable period of time is 90 days or as otherwise negotiated.
- 7.2.3 New requests for INP will not be allowed in a switch once LNP has been deployed in that switch.

8. Meet-Point Billing (MPB).

8.1 Meet-Point Arrangements.

- 8.1.1 The Parties may mutually establish MPB arrangements in order to provide Switched Access Services to Access Service customers via a Verizon access tandem in accordance with the MPB guidelines adopted by and contained in the Ordering and Billing Forum's MECAB and MECOD documents, except as modified herein and as described in Section 3.2.3 for Interim Portability.
- 8.1.2 Except in instances of capacity limitations, Verizon shall permit and enable KMC to sub-tend the Verizon access tandem(s) nearest to the KMC Rating Point(s) associated with the NPA-NXX(s) to/from which the Switched Access Services are homed. In instances of capacity limitation at a given access tandem, KMC shall be allowed to subtend the next-nearest Verizon access tandem in which sufficient capacity is available.
- 8.1.3 Interconnection for the MPB arrangement shall occur at the IP.
- 8.1.4 Common Channel Signaling shall be utilized in conjunction with MPB arrangements to the extent such signaling is resident in the Verizon access tandem switch.
- 8.1.5 KMC and Verizon will use diligent efforts, individually and collectively, to maintain provisions in their respective federal and state access tariffs, and/or provisions within the National Exchange Carrier Association (NECA) Tariff No. 4, or any successor tariff, sufficient to reflect this MPB arrangement, including MPB percentages.
- 8.1.6 As detailed in the MECAB document, KMC and Verizon will, in a timely fashion, exchange all information necessary to accurately, reliably and promptly bill Access Service customers for Switched Access Services traffic jointly handled by KMC and Verizon via the meet-point arrangement. Information shall be exchanged in Exchange Message Record (EMR) format, on magnetic tape or via a mutually acceptable Electronic File Transfer protocol.
- 8.1.7 KMC and Verizon shall work cooperatively to coordinate rendering of Meet-Point bills to customers, and shall reciprocally provide each other usage data and related information at the appropriate charge.



## 8.2 Compensation.

- 8.2.1 Initially, billing to Access Service customers for the Switched Access Services jointly provided by KMC and Verizon via the MPB arrangement shall be according to the multiple-bill method as described in the MECAB guidelines. This means each Party will bill the portion of service it provided at the appropriate tariff, or price list.
- 8.2.2 Subsequently, KMC and Verizon may mutually agree to implement one of the following options for billing to third parties for the Switched Access Services jointly provided by KMC and Verizon via the MPB arrangement: single-bill/single tariff method, single-bill/multiple tariff method, or to continue the multiple-bill method. Should either Party prefer to change among these billing methods, that Party shall notify the other Party of such a request in writing, ninety (90) Business Days in advance of the date on which such change is desired to be implemented. Such changes then may be made in accordance with MECAB guidelines and if the Parties mutually agree, the change will be made.

## 9. Common Channel Signaling.

### 9.1 Service Description.

The Parties will provide Common Channel Signaling (CCS) to one another via Signaling System 7 (SS7) network interconnection, where and as available, in the manner specified in FCC Order 95-187, in conjunction with all traffic exchange trunk groups. SS7 signaling and transport services shall be provided by Verizon in accordance with the terms and conditions of this Section 9 of this Article. The Parties will cooperate on the exchange of all appropriate SS7 messages for local and intraLATA call set-up signaling, including ISDN User Part (ISUP) and Transaction Capabilities Application Part (TCAP) messages to facilitate full interoperability of all CLASS Features and functions between their respective networks. Any other SS7 message services to be provided using TCAP messages (such as data base queries) will be jointly negotiated and agreed upon.

### 9.2 Signaling Parameters.

All SS7 signaling parameters will be provided in conjunction with traffic exchange trunk groups, where and as available. These parameters include Automatic Number Identification (ANI), Calling Party Number (CPN), Privacy Indicator, calling party category information, originating line information, charge number, etc. Also included are all parameters relating to network signaling information, such as Carrier Information Parameter (CIP), wherever such information is needed for call routing or billing. Verizon will provide SS7 via GR-394-SS7 and/or GR-317-SS7 format(s).

### 9.3 Privacy Indicators.

Each Party will honor all privacy indicators as required under applicable law.

### 9.4 Connection Through Signal Transfer Point (STP).

KMC must interconnect with the Verizon STP(s) serving the LATA in which the traffic exchange trunk groups are interconnected. Additionally, all interconnection to Verizon's 800/888 database and Verizon's Line Information Data Base (LIDB) shall, consistent with this section, take place only through appropriate STP pairs.

9.5 Third Party Signaling Providers.

KMC may choose a third-party SS7 signaling provider to transport messages to and from the Verizon SS7 network. In that event, that third party provider must present a letter of agency to Verizon, prior to the testing of the interconnection, authorizing the third party to act on behalf of KMC in transporting SS7 messages to and from Verizon. The third-party provider must interconnect with the Verizon STP(s) serving the LATA in which the traffic exchange trunk groups are interconnected.

9.6 Multi-Frequency Signaling.

In the case where CCS is not available, in band Multi-Frequency (MF), wink start, E & M channel associated signaling with ANI will be provided by the Parties. Network signaling information, such as CIC/OZZ, will be provided wherever such information is needed for call routing or billing.

10. Network Management Controls.

Each Party shall provide a 24-hour contact number for Network Traffic Management issues to the other's network surveillance management center. A fax number must also be provided to facilitate event notifications for planned mass calling events. Additionally, both Parties agree that they shall work cooperatively that all such events shall attempt to be conducted in such a manner as to avoid degradation or loss of service to other end-users. Each Party shall maintain the capability of respectively implementing basic protective controls such as "Cancel To" and "Call Gap."

ARTICLE VI  
RESALE OF SERVICES

1. General.

The purpose of this Article VI is to define the Exchange Services and related Vertical Features and other Services (collectively referred to for purposes of this Article VI as the "Services") that may be purchased from Verizon and resold by KMC and the terms and conditions applicable to such resold Services. Except as specifically provided otherwise in this Agreement, provisioning of Exchange Services for resale will be governed by the Verizon Guide. Verizon will make available to KMC for resale any Telecommunications Service that Verizon currently offers, or may offer hereafter, on a retail basis to subscribers that are not telecommunications carriers, except as qualified by Section 2.1 below.

2. Terms and Conditions.

2.1 Restrictions on Resale.

The following restrictions shall apply to the resale of retail services by KMC.

2.1.1 KMC shall not resell to one class of customers a service that is offered by Verizon only to another class of customers in accordance with state requirements (e.g., R-1 to B-1, disabled services or lifeline services to non-qualifying customers).

2.1.2 KMC shall not resell lifeline services and services for the disabled.

2.1.3 KMC shall not resell promotional offerings of 90 days or less in duration. These promotional offerings are not available to KMC for resale. Verizon will apply any applicable resale discount to the ordinary rate for a retail service rather than the special promotional rate.

2.2 Interim Universal Service Support Charge for Resale Services.

KMC wishes to resell Verizon's Basic Exchange Residential and Business services. It is Verizon's position that Verizon's current intraLATA toll rates include implicit subsidies that support below-cost prices for other services and thus promote universal service. This universal service support is lost where a CLEC resells Verizon's local service but does not resell Verizon's intraLATA toll service. For this reason, Verizon will not resell Basic Exchange Residential or Business services unless KMC pays the monthly interim universal service support charge set forth in Appendix C. Verizon believes that this interim surcharge is required by state and federal law.

The lawfulness of Verizon's interim surcharge is being addressed (or will be addressed) by the Commission or a court of competent jurisdiction. The parties agree that Verizon will offer for resale Basic Exchange Residential and Business services at the avoided cost discount rate set forth in Appendix C without the interim surcharge, but subject to the following terms and conditions:

2.2.1 KMC agrees that within thirty (30) days after the effective date of a Commission or court order affirming Verizon's interim surcharge, KMC will (i) begin paying the monthly interim surcharge in accord with Appendix C, and (ii) make a lump sum payment to Verizon of the total interim surcharges retroactive to the effective date of this agreement.

- 2.2.2 Notwithstanding any provision in this Agreement, Verizon may, at its sole discretion and at any time, seek injunctive or other relief (i) requiring the CLEC to pay Verizon's interim surcharge or (ii) requiring the Commission to immediately impose the interim surcharge.
- 2.2.3 Nothing in this Agreement shall restrict or impair Verizon from seeking injunctive relief or any other remedy at any time and in any court regarding Verizon's interim surcharge or the Commission's rejection or modification of Verizon's interim surcharge.

2.3 Restrictions on Discount of Retail Services.

The discount specified in Section 5.3 herein shall apply to all retail services except for the following:

- 2.3.1 KMC may resell services that are provided at a volume discount in accordance with terms and conditions of applicable tariff. KMC shall not aggregate end-user lines and/or traffic in order to qualify for volume discount.
- 2.3.2 KMC may resell ICB/Contract services without a discount and only to end-user customers that already have such services.
- 2.3.3 KMC may resell COCOT coin or coinless line; however, no discount applies.
- 2.3.4 KMC may resell special access; however, no discount applies.
- 2.3.5 KMC may resell operator services and directory assistance as specified in Section 5.6 herein, and in accordance with the OS/DA discount specified in Appendix C.

2.4 Resale to Other Carriers.

Services available for resale may not be used by KMC to provide access to the local network as an alternative to tariffed switched and special access by other carriers, including, but not limited to; interexchange carriers, wireless carriers, competitive access providers, or other retail telecommunications providers.

3. Ordering and Billing.

3.1 Service Ordering, Service Provisioning, and Billing.

KMC will order services for resale directly from Verizon through an electronic interface or fax. The following describes generally the processes Verizon will use for ordering, provisioning and billing for resold services. Except as specifically provided otherwise in this Agreement, service ordering, provisioning, billing and maintenance shall be governed by the Verizon Guide.

3.2 Local Service Request.

Orders for resale of services will be placed utilizing standard LSR forms. Verizon will continue to participate in industry forums for developing service order/disconnect order formats and will incorporate appropriate industry standards. Complete and accurate forms (containing the requisite end-user information as described in the Guide) must be provided by KMC before a request can be processed.

3.2.1 Verizon will accept orders for As-Is Transfer (AIT) of services from Verizon to KMC where Verizon is the end-user's current local exchange company. Verizon cannot provide an AIT of service from another CLEC selling Verizon's services to KMC.

3.3 Certificate of Operating Authority.

When ordering, KMC must represent and warrant to Verizon that it is a certified provider of local dial-tone service. KMC will provide a copy of its Certificate of Operating Authority or other evidence of its status to Verizon upon request.

3.4 Directory Assistance (DA) Listings.

Verizon shall include a KMC customer listing in its DA database as part of the LSR process. Verizon will honor KMC Customer's preferences for listing status, including non-published and unlisted, and will enter the listing in the Verizon database which is used to perform DA functions as it appears on the LSR.

3.5 Nonrecurring Charges.

KMC shall be responsible for the payment of all nonrecurring charges (NRCs) applicable to resold Services (e.g., installation, changes, ordering charges) as listed in Appendix C. In addition, NRCs for Field Service work (Installation/Repair requiring on site visits will be charged from the appropriate tariff. No discount applies to nonrecurring charges.

3.6 Alternate Billed Calls.

Verizon shall record usage data originating from KMC subscribers that Verizon records with respect to its own retail customers, using services ordered by KMC. On resale accounts, Verizon will provide usage in EMR format per existing file exchange schedules. Incollects are calls that are placed using the services of Verizon or another LEC or Local Service Provider (LSP) and billed to a resale service line of KMC. Outcollects are calls that are placed using a KMC resale service line and billed to a Verizon line or line of another LEC or LSP. Examples of an incollect or an outcollect are collect, credit card calls.

3.6.1 Incollects. Verizon will provide the rated record it receives from the CMDS network, or which Verizon records (non-intercompany), to KMC for billing to KMC's end-users. Verizon will settle with the earning company, and will bill KMC the amount of each incollect record less the Billing & Collection (B&C) fee for end-user billing of the incollects. The B&C credit will be \$.05 per billed message. Any additional message processing fees associated with KMC's incollect messages that are incurred by Verizon will be billed to KMC on the monthly statement.

3.6.2 Outcollects. When the Verizon end-office switch from which the resale line is served utilizes a Verizon operator services platform, Verizon will provide to KMC the unrated message detail that originates from a KMC resale service line but which is billed to a telephone number other than the originating number (e.g., calling card, bill-to-third number, etc.). KMC as the LSP will be deemed the earning company and will be responsible for rating the message at KMC rates and KMC will be responsible for providing the billing message detail to the billing company for end-user billing. KMC will pay to Verizon charges as agreed to for services purchased, and KMC will be compensated by the billing company for the revenue which KMC is due.

When a non-Verizon entity provides operator service to the Verizon end office from which the resale line is provisioned, KMC must contract with the operator services provider to get any EMR records which KMC requires.

3.7 Transfers Between KMC and Another Reseller of Verizon Services.

When KMC has obtained an end-user customer from another reseller of Verizon services, KMC will inform Verizon of the transfer by submitting standard LSR forms to Verizon.

3.7.1 Verizon cannot accept an order for AIT of service from one CLEC reselling Verizon services to another reseller of Verizon services.

3.8 Local Calling Detail.

Except for those Services and in those areas where measured rate local service is available to end-users, monthly billing to KMC does not include local calling detail. However, KMC may request and Verizon shall consider developing the capabilities to provide local calling detail in those areas where measured local service is not available for a mutually agreeable charge.

3.9 Billing.

Verizon will utilize CBSS to produce the required bills for resold services. CBSS will create a bill to KMC along with a summary bill master. State or sub-state level billing will include up to thirty (30) summary bill accounts.

3.10 LIDB.

For resale services, the LSR will generate updates to Verizon's LIDB for validation of calling card, collect, and third number billed calls.

3.11 Originating Line Number Screening (OLNS).

Upon request, Verizon will update the database to provide OLNS which indicates to an operator the acceptable billing methods for calls originating from the calling number (e.g., penal institutions, COCOTS).

4. Maintenance.

4.1 Maintenance, Testing and Repair.

Verizon will provide repair and maintenance services to KMC and its end-user customers for resold services in accordance with the same standards and charges used for such services provided to Verizon end-user customers. Verizon will not initiate a maintenance call or take action in response to a trouble report from a KMC end-user until such time as trouble is reported to Verizon by KMC. KMC must provide to Verizon all end-user information necessary for the installation, repair and servicing of any facilities used for resold services according to the procedures described in the Guide.

5. Services Available for Resale.

5.1 Description of Local Exchange Services Available for Resale.

Resold basic Exchange Service includes, but is not limited to, the following elements:

- (a) Voice Grade Local Exchange Access Line - includes a telephone number and dial tone.

- (b) Local Calling - at local usage measured rates if applicable to the end-user customer.
- (c) Access to long distance carriers
- (d) E-911 Emergency Dialing
- (e) Access to Service Access Codes - e.g., 800, 888, 900
- (f) Use of AIN Services (those Currently Available to end-users)
- (g) End-user Private Line Services
- (h) Listing of telephone number in appropriate "white pages" directory; and
- (i) Copy of "White Pages" and "Yellow Pages" directories for the appropriate Verizon service area
- (j) IntraLATA toll

## 5.2 Other Services Available for Resale.

Verizon will provide resold services at retail less the avoided cost discount as defined in Article VI, Section 5.3. Subject to the limitations enumerated in Article VI of this Agreement, the type of resold services made available to KMC are those telecommunication services described in Verizon's retail tariffs, as amended from time to time. Any new retail services that Verizon offers in such tariffs to customers who are not telecommunications carriers may also be available to KMC for resale under the same terms and conditions contained in this Agreement.

5.2.1 Promotional Services. Verizon shall make available for resale, those promotional offerings that are greater than 90 days in duration and the special promotional rate will be subject to the applicable resale discount.

## 5.3 Rates.

The prices charged to KMC for Local Services shall be calculated as follows:

5.3.1 Avoided Cost Discount as shown in Appendix C shall apply to all retail services except those services listed in Section 2.1 and Section 2.3 herein.

5.3.2 The discount dollar amount calculated under Section 5.3.1 above will be deducted from the retail rate.

5.3.3 The resulting rate is the resale rate.

## 5.4 Grandfathered Services.

Services identified in Verizon Tariffs as grandfathered in any manner are available for resale only to end-user customers that already have such grandfathered service. An existing end-user customer may not move a grandfathered service to a new service location. Grandfathered Services are subject to a resale discount.

5.5 Access.

Verizon retains all revenue due from other carriers for access to Verizon facilities, including both switched and special access charges.

5.6 Operator Services (OS) and Directory Assistance (DA).

OS for local and toll assistance (for example, call completion, busy line verification and emergency interruption) and DA (e.g., 411 calls) are provided as a part of Exchange Services offered for resale. Verizon may brand this service as Verizon. KMC will be billed in accordance with Verizon's retail tariff.

5.6.1 If KMC requests branding or unbranding, Verizon will provide such unbranding or rebranding with KMC's name.

5.6.2 KMC will be billed a charge for unbranding or rebranding and customized routing.

5.6.3 For those offices that KMC has requested Verizon to rebrand and/or unbrand OS and DA, Verizon will provide it where Verizon performs its own OS and DA service subject to capability and capacity limitations where customized routing is Currently Available. If Verizon uses a third-party contractor to provide OS or DA, Verizon will not provide branding nor will Verizon negotiate it with a third party on behalf of KMC. KMC must negotiate with the third party. In these instances, KMC will need to purchase customized routing and dedicated trunking to differentiate its OS/DA traffic from Verizon's.



ARTICLE VII  
UNBUNDLED NETWORK ELEMENTS

**SEPARATE ARTICLE VII WILL BE INSERTED HERE**

## ARTICLE VIII

### ADDITIONAL SERVICES AND COORDINATED SERVICE ARRANGEMENTS

1. Transfer of Service Announcements.

When an end-user customer transfers service from one Party to the other Party, and does not retain its original telephone number, the Party formerly providing service to the end-user will provide, upon request and if such service is provided to its own customers, a referral announcement on the original telephone number. This announcement will provide the new number of the customer and will remain in effect for the same time period this service is provided to Verizon's own end-users.

2. Misdirected Calls.

The Parties will employ the following procedures for handling any misdirected calls (e.g., Business office, repair bureau, etc.):

2.1 To the extent the correct provider can be determined, each Party will refer misdirected calls to the proper provider of local exchange service. When referring such calls, both Parties agree to do so in a courteous manner at no charge.

2.2 For misdirected repair calls, the Parties will provide their respective repair bureau contact number to each other on a reciprocal basis and provide the end-user the correct contact number.

2.3 In responding to misdirected calls, neither Party shall make disparaging remarks about each other, nor shall they use these calls as a basis for internal referrals or to solicit end-users or to market services.

3. 911/E-911 Arrangements.

3.1 Description of Service.

KMC will install from each of its central offices a minimum of two (2) dedicated trunks to Verizon's 911/E-911 selective routers (i.e., 911 tandem offices) that serve the areas in which KMC provides Exchange Services, for the provision of 911/E-911 services and for access to all subtending PSAPs. The dedicated trunks shall be, at a minimum, DS-0 level trunks configured as a 2-wire analog interface or as part of a digital (1.544 Mbps) interface in which all circuits are dedicated to 9-1-1 traffic. Either configuration shall use CAMA type signaling with multi-frequency (MF) tones that will deliver ANI with the voice portion of the call. Verizon will provide KMC with the appropriate CLLI (Common Language Location Identifier) Codes and specifications of the tandem office serving area or the location of the primary Public Safety Answering Point (PSAP) when there is no 911 routing in that 911 district. If a KMC central office serves end-users in an area served by more than one (1) Verizon 911/E-911 selective router, KMC will install a minimum of two (2) dedicated trunks in accordance with this Section to each of such 911/E-911 selective routers or primary PSAP.

3.2 Transport.

If KMC desires to obtain transport from Verizon to the Verizon 911 selective routers, KMC may purchase such transport from Verizon at the rates set forth in Appendix E .

3.3 Cooperation and Level of Performance.

The Parties agree to provide access to 911/E-911 in a manner that is transparent to the end-user. The Parties will work together to facilitate the prompt, reliable and efficient interconnection of KMC's systems to the 911/E-911 platforms, with a level of performance that will provide the same grade of service as that which Verizon provides to its own end-users. To this end, Verizon will provide documentation to KMC showing the correlation of its rate centers to its E-911 tandems at rates set forth in Appendix E .

3.4 Basic 911 and E-911 General Requirements:

- 4.3.1. Basic 911 and E-911 provides a caller access to the appropriate emergency service bureau by dialing a 3-digit universal telephone number (911).
- 4.3.2. Where Verizon has a 911 selective router installed in the network serving the 911 district, Verizon shall use subscriber data derived from the Automatic Location Identification/Database Management System (ALI/DMS) to selectively route the 911 call to the PSAP responsible for the caller's location.
- 4.3.3. All requirements for E-911 also apply to the use of SS7 as a type of signaling used on the interconnection trunks from the local switch to an end office or a selective router.
- 4.3.4. Basic 911 and E-911 functions provided to KMC shall be at least at parity with the support and services that Verizon provides to its subscribers for such similar functionality.
- 4.3.5. Basic 911 and E-911 access from Local Switching shall be provided to KMC in accordance with the following:
  - 3.4.5.1 Verizon and KMC shall conform to all state regulations concerning emergency services.
  - 3.4.5.2 For E-911, both KMC and Verizon shall use their respective service order processes to update access line subscriber data for transmission to the database management systems. Validation will be done via MSAG comparison listed in Section 3.4.5.5.
  - 3.4.5.3 If legally required by the appropriate jurisdiction, Verizon shall provide or overflow 911 traffic to be routed to Verizon operator services or, at KMC's discretion, directly to KMC operator services.
  - 3.4.5.4 Basic 911 and E-911 access from the KMC local switch shall be provided from Verizon to KMC in accordance with the following:
    - 3.4.5.4.1 If required by KMC and Currently Available, Verizon shall interconnect direct trunks from the KMC network to the E-911 PSAP, or to the E-911 selective routers as designated by KMC. Such trunks may alternatively be provided by KMC.
    - 3.4.5.4.2 In government jurisdictions where Verizon has obligations under existing Agreements as the primary provider of the 911 System to the county (i.e., "lead telco"), KMC shall participate in the provision of the 911 System as follows:

- 3.4.5.4.2.1 Each Party shall be responsible for those portions of the 911 System for which it has control, including any necessary maintenance to each Party's portion of the 911 System.
- 3.4.5.4.2.2 KMC and Verizon recognize that the lead telco in a 911 district has the responsibility of maintaining the ALI database for that district. Each company will provide its access line subscriber records to the database organization of that lead telco. KMC and Verizon will be responsible for correcting errors when notified by either the 911 district or its customer, and then submitting the corrections to the lead telco. Lead telco database responsibilities are covered in Section 3.4.5.5 of this Article.
- 3.4.5.4.2.3 KMC shall have the right to verify the accuracy of information regarding KMC customers in the ALI database using methods and procedures mutually agreed to by the Parties. The fee for this service shall be determined based upon the agreed upon solution.
- 3.4.5.4.3 If a third party is the primary service provider to a 911 district, KMC shall negotiate separately with such third party with regard to the provision of 911 service to the agency. All relations between such third party and KMC are totally separate from this Agreement and Verizon makes no representations on behalf of the third party.
- 3.4.5.4.4 If KMC or Affiliate is the primary service provider to a 911 district, KMC and Verizon shall negotiate the specific provisions necessary for providing 911 service to the agency and shall include such provisions in an amendment to this Agreement.
- 3.4.5.4.5 Interconnection and database access shall be at rates as set forth in Appendix E.
- 3.4.5.4.6 Verizon shall comply with established, competitively neutral intervals for installation of facilities, including any collocation facilities, diversity requirements, etc.
- 3.4.5.4.7 In a resale situation, where it may be appropriate for Verizon to update the ALI database, Verizon shall update such database with KMC data in an interval no less than is experienced by Verizon subscribers, or than for other carriers, whichever is faster, at no additional cost.

3.4.5.5 The following are Basic 911 and E-911 Database Requirements:

- 3.4.5.5.1 The ALI database shall be managed by Verizon, but is the property of Verizon and any participating LEC or KMC which provides their records to Verizon.
  - 3.4.5.5.2 Copies of the MSAG shall be provided within five (5) Business Days after the date the request is received and provided on diskette or paper copy at the rates set forth in Appendix E.
  - 3.4.5.5.3 KMC shall be solely responsible for providing KMC database records to Verizon for inclusion in Verizon's ALI database on a timely basis.
  - 3.4.5.5.4 Verizon and KMC shall arrange for the automated input and periodic updating of the E-911 database information related to KMC end-users. Verizon shall work cooperatively with KMC to ensure the accuracy of the data transfer by verifying it against the Master Street Address Guide (MSAG). Verizon shall accept electronically transmitted files or magnetic tape that conform to National Emergency Number Association (NENA) Version #2 format.
  - 3.4.5.5.5 KMC shall assign an E-911 database coordinator charged with the responsibility of forwarding KMC end-user ALI record information to Verizon or via a third-party entity, charged with the responsibility of ALI record transfer. KMC assumes all responsibility for the accuracy of the data that KMC provides to Verizon.
  - 3.4.5.5.6 Verizon shall update the database within one (1) Business Day of receiving the data from KMC. If Verizon detects an error in the KMC provided data, the data shall be returned to KMC within one day from when it was provided to Verizon. KMC shall respond to requests from Verizon to make corrections to database record errors by uploading corrected records within one day. Manual entry shall be allowed only in the event that the system is not functioning properly.
  - 3.4.5.5.7 Verizon agrees to treat all data on KMC subscribers provided under this Agreement as strictly confidential and to use data on KMC subscribers only for the purpose of providing E-911 services.
  - 3.4.5.5.8 Verizon shall adopt use of a Carrier Code (NENA standard five-character field) on all ALI records received from KMC. The Carrier Code will be used to identify the carrier of record in NP configurations. The NENA Carrier Code for KMC is "KMC"; the NENA Carrier Code for Verizon is "Verizon."
- 3.4.5.6 Verizon and KMC will comply with the following requirements for network performance, maintenance and trouble notification.
- 3.4.5.6.1 Equipment and circuits used for 911 shall be monitored at all times. Monitoring of circuits shall be done to the individual

trunk level. Monitoring shall be conducted by Verizon for trunks between the selective router and all associated PSAPs.

- 3.4.5.6.2 Repair service shall begin immediately upon report of a malfunction. Repair service includes testing and diagnostic service from a remote location, dispatch of or in-person visit(s) of personnel. Where an on-site technician is determined to be required, a technician will be dispatched without delay.
- 3.4.5.6.3 Verizon shall notify KMC forty-eight (48) hours in advance of any scheduled testing or maintenance affecting KMC 911 service. Verizon shall provide notification as soon as possible of any unscheduled outage affecting KMC 911 service.
- 3.4.5.6.4 All 911 trunks must be capable of transporting Baudot Code necessary to support the use of Telecommunications Devices for the Deaf (TTY/TDDs).

#### 3.4.5.7 Basic 911 and E-911 Additional Requirements

- 3.4.5.7.1 All KMC lines that have been ported via INP shall reach the correct PSAP when 911 is dialed. Where Verizon is the lead telco and provides the ALI, the ALI record will contain both the KMC number and Verizon ported number. The PSAP attendant shall see both numbers where the PSAP is using a standard ALI display screen and the PSAP extracts both numbers from the data that is sent. Verizon shall cooperate with KMC to ensure that 911 service is fully available to all KMC end-users whose telephone numbers have been ported from Verizon, consistent with State provisions.
- 3.4.5.7.2 KMC and Verizon shall be responsible for reporting all errors, defects and malfunctions to one another. Verizon and KMC shall provide each other with a point of contact for reporting errors, defects, and malfunctions in the service and shall also provide escalation contacts.
- 3.4.5.7.3 KMC may enter into subcontracts with third parties, including KMC Affiliates, for the performance of any of KMC's duties and obligations stated herein.
- 3.4.5.7.4 Where Verizon is the lead telco, Verizon shall provide KMC with notification of any pending selective router moves within at least ninety (90) days in advance.
- 3.4.5.7.5 Where Verizon is the lead telco, Verizon shall establish a process for the management of Numbering Plan Area (NPA) splits by populating the ALI database with the appropriate new NPA codes.

3.4.5.7.6 Where Verizon is the lead telco, Verizon shall provide the ability for KMC to update 911 database with end-user information for lines that have been ported via INP or LNP.

4.3.6. Basic 911 and E-911 Information Exchanges and interfaces. Where Verizon is the lead telco:

- 3.4.6.1 Verizon shall provide KMC access to the ALI Gateway which interfaces to the ALI/DMS database. Verizon shall provide error reports from the ALI/DMS database to KMC within one (1) day after KMC inputs information into the ALI/DMS database. Alternately, KMC may utilize Verizon or a third-party entity to enter subscriber information into the database on a demand basis, and validate subscriber information on a demand basis. The rates are set forth in Appendix E.
- 3.4.6.2 Verizon and KMC shall arrange for the automated input and periodic updating of the E-911 database information related to KMC end-users. Verizon shall work cooperatively with KMC to ensure the accuracy of the data transfer by verifying it against the Master Street Address Guide (MSAG). Verizon shall accept electronically transmitted files or magnetic tape that conform to National Emergency Number Association (NENA) Version #2 format.
- 3.4.6.3 Updates to MSAG. Upon receipt of an error recording an KMC subscriber's address from Verizon, and where Verizon is the lead telco, it shall be the responsibility of KMC to ensure that the address of each of its end-users is included in the Master Street Address Guide (MSAG) via information provided on KMC's LSR or via a separate feed established by KMC pursuant to Section 3.4.5.7 of this Article.
- 3.4.6.4 The ALI database shall be managed by Verizon, but is the property of Verizon and all participating telephone companies. The interface between the E-911 Switch or Tandem and the ALI/DMS database for KMC subscriber shall meet industry standards.

3.5 Compensation.

- 3.5.1 In situations in which Verizon is responsible for maintenance of the 911/E-911 database and can be compensated for maintaining KMC's information by the municipality, Verizon will seek such compensation from the municipality. KMC will compensate Verizon for such maintenance of the 911/E-911 database only if and to the extent that Verizon is unable to obtain such compensation from the municipality. Verizon shall charge KMC a portion of the cost of the shared 911/E-911 selective router as set forth in Appendix E.
- 3.5.2 For states where Verizon bills and keeps the 9-1-1 surcharges, e.g. Hawaii, Ohio, and Michigan's Technical Surcharge, KMC will bill its access line subscribers the 9-1-1 surcharge that is currently in effect and remit that charge to Verizon. Payments to Verizon are due within thirty (30) days of KMC's payment due date from its access line subscribers and will be identified as "9-1-1 Surcharge Payment for the month of (list appropriate month)" as a separate line item in the remittance documentation.

3.5.3 For all states (except Hawaii and Ohio), including Michigan's Operational Surcharge, where Verizon bills and remits the 9-1-1 surcharges, less an administrative fee of one to three percent, to the 9-1-1 district, KMC will bill its access line subscribers the 9-1-1 surcharge that is currently in effect and remit that charge to that government agency. Verizon will have no responsibility in billing or remitting surcharges that apply to KMC's access line subscribers.

3.5.4 Should the 9-1-1 surcharge fee change, Verizon will promptly inform KMC of that change so that KMC may conform to the new rate(s).

3.6 Liability.

Verizon will not be liable for errors with respect to 911/E-911 services except for its gross negligence as addressed in applicable tariffs.

4. Information Services Traffic.

4.1 Routing.

Each Party shall route traffic for Information Services (i.e., 900-976, Internet, weather lines, sports providers, etc.) which originates on its network to the appropriate Information Service Platform.

4.2 Billing and Collection and Information Service Provider (ISP) Remuneration.

4.2.1 In the event Verizon performs switching of ISP traffic associated with resale or unbundled ports for KMC, Verizon shall provide to KMC the same call detail records that Verizon records for its own end-users, so as to allow KMC to bill its end-users. Verizon shall not be responsible or liable to KMC or ISP for Billing and Collection and/or any receivables of Information Service Providers.

4.2.2 Notwithstanding and in addition to Article III, Section 28, Verizon shall be indemnified and held harmless by KMC from and against any and all suits, actions, losses, damages, claims, or liability of any character, type, or description, including all expenses of litigation and court cost which may arise as a result of the provisions contained in this Article VIII, Section 4.2.1 supra. The indemnity contained in this section shall survive the termination of this Agreement, for whatever reason.

4.2.3 Verizon agrees to notify KMC in writing within ten (10) Business Days, by registered or certified mail at the address specified in Article III, Section 31, of any claim made against Verizon on the obligations indemnified against pursuant to this Article VIII, Section 4.

4.2.4 It is understood and agreed that the indemnity provided for in this Article VIII, Section 4 is to be interpreted and enforced so as to provide indemnification of liability to Verizon to the fullest extent now or hereafter permitted by law.

4.3 900-976 Call Blocking.

Verizon shall not unilaterally block 900-976 traffic in which Verizon performs switching associated with resale or UNEs. Verizon will block 900-976 traffic when requested to do so, in writing, by KMC. KMC shall be responsible for all costs associated with the 900-976 call blocking request. Verizon reserves the right to block any and all calls which may harm or damage its network.



4.4 Miscellaneous.

Verizon reserves the right to provide to any Information Service Provider a list of any and all Telecommunications Providers doing business with Verizon.

5. Telephone Relay Service.

Local and intraLATA Telephone Relay Service (TRS) enables deaf, hearing-impaired, or speech-impaired TRS users to reach other telephone users. With respect to resold services, KMC's end-users will have access to the state authorized TRS provider to the extent required by the Commission, including any applicable compensation surcharges.

6. Directory Assistance and Operator Services.

Where KMC is providing local service with its own switch, upon KMC's request Verizon will provide to KMC rebranded or unbranded DA services and/or OS pursuant to separate contracts to be negotiated in good faith between the Parties. If KMC so requests DA services and/or OS, such contracts shall provide for the following:

6.1 Directory Assistance Calls.

Verizon DA centers shall provide number and addresses to KMC end-users in the same manner that number and addresses are provided to Verizon end-users. If information is provided by an automated response unit (ARU), such information shall be repeated twice in the same manner in which it is provided to Verizon end-users. Where available, Verizon will provide call completion to KMC end-users in the same manner that call completion is provided to Verizon end-users. Verizon will provide its existing services to KMC end-users consistent with the service provided to Verizon end-users.

6.2 Operator Services Calls.

Verizon OS provided to KMC end-users shall be provided in the same manner Verizon OS are provided to Verizon end-users. In accordance with Verizon practices and at Verizon rates, Verizon will offer to KMC end-users collect, person-to-person, station-to-station calling, third-party billing, emergency call assistance, calling card services, credit for calls, time and charges, notification of the length of call, and real time rating. Verizon operators shall also have the ability to quote KMC rates upon request but only if there is appropriate cost recovery to Verizon and to the extent it can be provided within the technical limitations of Verizon's switches. Verizon will provide its existing services to KMC end-users consistent with the service Verizon provides to its own end-users.

7. Directory Assistance Listings Information.

Verizon will make available to KMC, at KMC's request, Verizon end-user and authorized LEC DA listing information stored in Verizon's DA database for the purposes of KMC providing DA service to its customers. Implementation of customized routing is required for KMC to provide DA Service for Verizon Resold and Unbundled Port services.

7.1 DA Listing Information includes the listed names, addresses and telephone numbers of Verizon and authorized LEC subscribers, except as otherwise provided herein. Excluded are listings for restricted LEC lines and non-published listings. Verizon DA listing information includes 800/888 listings, non-listed numbers and foreign listings within the Verizon franchise.

7.2 Verizon shall provide to KMC, at KMC's request, DA listing information within sixty (60) Business Days after an order is received for that specific state. The DA listing information

will be provided in Verizon format via magnetic tape or National Data Mover (NDM) as specified by KMC. Updates to the DA listing information shall be provided on a daily basis through the same means used to transmit the initial load. DA listing information provided shall indicate whether the customer is a residence or business customer.

7.2.1 Such listings shall be confidential information pursuant to Article III of this Agreement and KMC will use the listings only for its DA services to its end-users. KMC is not authorized to release Verizon's DA listing information to any third party or to provide DA to any other party using Verizon DA listing information, including KMC's affiliates, subsidiaries or partners, except with the expressed written permission of Verizon. In those instances where KMC's affiliates, subsidiaries or partners also desire to use Verizon's DA listing information, each affiliate, subsidiary or partner must negotiate a separate contract with Verizon to obtain the listings.

7.2.2 If KMC uses a third-party DA service for its end-users, KMC will ensure that such third party likewise treats the listings as Confidential Information pursuant to Article III of this Agreement, and uses them only for KMC end-user DA.

7.2.3 Verizon will include KMC's DA listing information in Verizon's DA data base which may be released to third parties which request Verizon's DA listing information, unless KMC provides Verizon written notice within sixty (60) Business Days after the effective date of this Agreement that its DA listing information is restricted and should not be released to third parties. In the event that KMC does properly notify Verizon that its DA listing information is restricted, Verizon will so advise third parties requesting such information.

7.3 KMC agrees to pay Verizon's standard charges for the initial load and daily updates of Verizon's DA listing information, which will be provided upon request.

7.4 The Parties will work together to identify and develop procedures for database error corrections.

## 8. Directory Listings and Directory Distribution.

KMC will be required to negotiate a separate agreement for directory listings and directory distribution, except as set forth below, with Verizon's directory publication company.

### 8.1 Listings.

KMC agrees to supply Verizon on a regularly scheduled basis, at no charge, and in a mutually agreed upon format (e.g. Ordering and Billing Forum developed), all listing information for KMC's subscribers who wish to be listed in any Verizon published directory for the relevant operating area. Listing information will consist of names, addresses (including city, state and zip code) and telephone numbers. Nothing in this Agreement shall require Verizon to publish a directory where it would not otherwise do so.

Listing inclusion in a given directory will be in accordance with Verizon's solely determined directory configuration, scope, and schedules, and listings will be treated in the same manner as Verizon's listings.

### 8.2 Distribution.

Upon directory publication, Verizon will arrange for the initial distribution of the directory to service subscribers in the directory coverage area at no charge.

KMC will supply Verizon in a timely manner with all required subscriber mailing information including non-listed and non-published subscriber mailing information, to enable Verizon to perform its distribution responsibilities.

9. Busy Line Verification and Busy Line Verification Interrupt.

Each Party shall establish procedures whereby its operator assistance bureau will coordinate with the operator assistance bureau of the other Party to provide Busy Line Verification (BLV) and Busy Line Verification and Interrupt (BLVI) services on calls between their respective end-users. Each Party shall route BLV and BLVI inquiries over separate inward OS trunks. Each Party's operator assistance bureau will only verify and/or interrupt the call and will not complete the call of the end-user initiating the BLV or BLVI. Each Party shall charge the other for the BLV and BLVI services at the rates contained in the respective tariffs.

10. Street Address Guide (SAG).

Verizon will provide to KMC upon request the Street Address Guide at a reasonable charge. Two companion files will be provided with the SAG which lists all services and features at all end offices, and lists services and features that are available in a specific end office.

11. Dialing Format Changes.

Verizon will provide reasonable notification to KMC of changes to local dialing format, *i.e.*, 7 to 10 digit, by end office.

## ARTICLE IX

### COLLOCATION

#### 1. General.

Verizon shall provide collocation services in accordance with and subject to the terms and conditions of this Article IX and other applicable requirements of this Agreement. Collocation provides for access to those Verizon wire centers or access tandems listed in the NECA, Tariff FCC No. 4 for the purpose of interconnection for the exchange of traffic with Verizon and/or access to unbundled network elements (UNEs). Collocation shall be accomplished through caged or cageless service offerings, as described below, except if not practical for technical reasons or due to space limitations. In such event, Verizon shall provide adjacent collocation or other methods of collocation, subject to space availability and technical feasibility.

#### 2. Types of Collocation.

##### 2.1 Single Caged.

A single caged arrangement is a form of caged collocation, which allows a single CLEC to lease caged floor space to house its equipment within Verizon wire center(s) or access tandem(s).

##### 2.2 Shared Caged.

A shared caged arrangement is a newly constructed caged collocation arrangement that is jointly applied for and occupied by two or more CLECs within a Verizon wire center or access tandem. When two or more CLECs request establishment and jointly apply for a new caged collocation arrangement to be used as a shared caged arrangement, one of the participating CLECs must agree to be the host CLEC (HC) and the other(s) to be the guest CLEC (GC). . The HC and GC(s) are solely responsible for determining whether to share a shared caged collocation arrangement and if so, upon what terms and conditions. Verizon will not issue separate billing for any of the rate elements associated with the shared caged collocation arrangement between the HC and the GC(s), but Verizon will provide the HC with information on the proportionate share of the NRCs for each CLEC in the shared arrangement. The HC will be responsible for ordering and payment of all collocation applicable services ordered by the HC and GC(s). The HC and GC(s) are Verizon's customers and have all the rights and obligations applicable hereunder to CLECs purchasing collocation-related services, including, without limitation, the obligation to pay all applicable charges, whether or not the HC is reimbursed for all or any portion of such charges by the guest(s). All terms and conditions for caged collocation as described in this Article IX will apply to shared caged collocation requirements. For additional details on shared caged collocation see Verizon's Collocation Services Packet (CSP), which is described in Section 3.1 below.

##### 2.3 Subleased Caged.

Vacant space available in a CLEC's caged collocation arrangement may be made available to a third party(s) for the purpose of interconnection and/or for access to UNEs in Verizon's wire center(s) or access tandem(s) via the subleasing collocation arrangement detailed in Verizon's CSP. The CLEC would sublease the floor space to the third party(s) pursuant to terms and conditions agreed to by the CLEC and the third party(s) involved. The third party(s) must each be independently collocated within the subleased caged space and interconnected to Verizon's network for the purposes set forth in this Agreement. The CLEC is solely responsible for determining whether to sublease a shared caged collocation

arrangement and if so, upon what terms and conditions. Verizon will not issue separate billing for any of the rate elements associated with the subleased caged collocation arrangement between the CLEC and the third party(s). The CLEC will be responsible for ordering and payment of all collocation applicable services ordered by the CLEC and the third party(s). The CLEC and third party(s) are Verizon's customers and have all the rights and obligations applicable hereunder to CLECs purchasing collocation-related services, including, without limitation, the obligation to pay all applicable charges, whether or not the CLEC is reimbursed for all or any portion of such charges by the third party(s). All terms and conditions for caged collocation as described in this Article IX will apply to subleased caged collocation requirements. For additional details on subleased caged collocation, see Verizon's CSP.

#### 2.4 Cageless.

Cageless collocation is a form of collocation in which CLECs can place their equipment in Verizon wire center(s) or access tandem(s) conditioned space. A cageless collocation arrangement allows a CLEC, using Verizon approved vendors, to install equipment in single bay increments in an area designated by Verizon. This space will be in a separate lineup, if available. If a separate bay lineup is not available, the CLEC's bay will be segregated by at least one vacant bay from Verizon's own equipment unless no other collocation space is available. The equipment location will be designated by Verizon and will vary based on individual wire center or access tandem configurations. CLEC equipment will not share the same equipment bays with Verizon equipment.

#### 2.5 Adjacent.

An adjacent collocation arrangement permits a CLEC to construct or procure a structure on Verizon property for collocation for the purposes of provisioning expanded interconnection and/or access to UNEs in accordance with the terms and conditions of this Agreement. Adjacent collocation is only an option when the following conditions are met: (1) space is legitimately exhausted in Verizon's wire center or access tandem for caged and cageless collocation; and (2) it is technically feasible to construct a hut or similar structure on Verizon property that adheres to local building code, zoning requirements, and Verizon building standards. For additional details on adjacent collocation, see Verizon's CSP, which is described in Section 3.1 below.

#### 2.6 Other.

A CLEC shall have the right to order collocation services offered pursuant to Verizon tariffs following the effective date of this Agreement, including, without limitation, the right to order virtual collocation services in accordance with, and subject to, the terms of Verizon's existing federal collocation tariff (GTOC Tariff No. 1). The terms of this Article IX shall not apply to said tariff collocation services. However, new collocation services ordered outside of said tariffs on or after the effective date will be provided pursuant to the terms of this Agreement.

### 3. Ordering.

#### 3.1 Application.

3.1.1 Point of Contact/CSP Packet. Verizon will establish points of contact for KMC to contact to place a request for collocation. The point of contact will provide KMC with the CSP, which shall contain general information and requirements, including a list of engineering and technical specifications, fire, safety, security policies and procedures, and an application form.

- (a) Application Form/Fee. KMC requesting collocation at a wire center or access tandem will be required to complete the application form and submit the non-refundable engineering fee set forth in Appendix G described in Section 6.1 for each wire center or access tandem at which collocation is requested. The application form will require KMC to provide all engineering, floor space, power, environmental and other requirements necessary for the function of the service. KMC will provide Verizon with specifications for any non-standard or special requirements at the time of application. Verizon reserves the right to assess the customer any additional charges on an individual case basis ("ICB") associated with complying with the requirements or to refuse an application where extensive modifications are required. Any such charges shall be noticed to the CLECs.

3.1.2 Notification of Acceptance/Rejection. Verizon will notify KMC in writing within fifteen (15) days following receipt of the completed application if KMC's requirements cannot be accommodated as specified. Should KMC submit ten (10) or more applications within a ten (10) day period, the response interval will be increased by ten (10) days for every ten (10) additional applications or fraction thereof.

3.1.3 Changes. The first application form filed by KMC shall be designated the original application. Original applications for collocation arrangements for sites that have not been inspected and approved by KMC and Verizon are subject to requests for minor or major changes to the site requested in the application. Changes will not be initiated until a completed application has been submitted along with appropriate Engineering Fee, if applicable.

Major changes are requests that add telecommunications equipment that requires additional AC or DC power; heating, ventilation, and air conditioning (HVAC) system modifications; or change the size of the cage. At the election of KMC, major changes may be handled in one of the following two methods to the extent technically feasible.

- (a) Method 1: Additional Application. KMC may elect to have a major change to its original collocation application treated by Verizon as a separate, additional application. An additional application is subject to the same provisioning process and conditions as an original application. On receipt of a complete additional application and Engineering Fee, Verizon will notify KMC in writing within fifteen (15) days following receipt of the completed additional application if the KMC additional requirements can or cannot be accommodated as specified. Filing an additional application does not change Verizon's obligation to process and fulfill the original application nor does it change the time intervals applicable to the processing and fulfillment of the original application. All of the provisions herein applicable to an original application similarly apply to an additional application.
- (b) Method 2: Supplemental Application. KMC may elect to have a major change to its original collocation application treated by Verizon as a supplemental application. A supplemental application may affect Verizon's obligation to process and fulfill the original application. On receipt of a supplemental application and Engineering Fee, Verizon will

notify KMC in writing within fifteen (15) days following receipt of the completed supplemental application if KMC requirements can or cannot be accommodated as specified. Upon notification that Verizon can accommodate the requirements of the supplemental application, KMC may elect to proceed with the supplemental application. Verizon's obligations under the original application will be merged with the obligations of the supplemental application and the combined project time line will be based on the date the supplemental application was received. All of the provisions herein applicable to an original application similarly apply to a supplemental application.

- (c) Minor changes are those requests that do not require additional AC or DC power, HVAC upgrades, or changes in cage/floor space. The KMC will be required to submit a revised application but the deliverable dates for the project will not change.

### 3.2 Space Availability.

Verizon will notify KMC within fifteen (15) days following receipt of the completed application form and non-refundable engineering fee if space is available at the selected wire center or access tandem. If space is not available, Verizon will notify KMC in writing. Space availability and reservation shall be determined in accordance with Section 5.

### 3.3 Price Quote.

Verizon shall provide KMC with a price quote for collocation services required to accommodate KMC's request within thirty (30) days of KMC's application date. Verizon reserves the right to change the price quote at any time prior to acceptance by KMC. If the quote is not accepted by KMC within such ninety (90) day period, KMC will be required to submit a new application form and engineering fee and a new quote will be provided based on the new application form.

### 3.4 ASR.

Upon notification of available space, KMC will be required to send a completed Access Service Request ("ASR") form to Verizon's collocation point of contact. A copy of an ASR form is included in the CSP.

### 3.5 Augmentation.

All requests for an addition or change to an existing collocation arrangement that has been inspected and turned over to the CLEC is considered an augmentation. An augmentation request will require the submission of a complete application form and a non-refundable Engineering or Minor Augment fee. A Minor Augment fee may not be required under the circumstances outlined below. The definition of a major or minor augment is as follows:

- 3.5.1 Major Augments are those requests that: (a) require AC or DC power; (b) add equipment that generates more BTU's of heat, or (c) increase the caged floor space over what KMC requested in its original application. A complete application and Engineering Fee will be required when submitting a caged or cageless request that requires a Major Augment.
- 3.5.2 Minor Augments of caged and cageless collocation arrangements will require the submission of a complete application form and the Minor Augment Fee. Minor augments are those requests that: (a) do not require additional DC and AC power,

(b) do not add equipment that generates more BTU's of heat, or (c) do not increase the caged floor space, over what KMC requested in its original application. The requirements of a Minor Augment request cannot exceed the capacity of the existing/proposed electrical, power or HVAC system. Requests for CLEC to CLEC Interconnects and DSO, DS1, and DS3 facility terminations are included as Minor Augments.

Minor Augments that require an augment fee are those requests that require Verizon to perform a service or function on behalf of KMC including but not limited to: requests to pull cable for CLEC to CLEC Interconnects and DSO, DS1, and DS3 facility terminations.

Minor Augments that do not require a fee are those augments performed solely by KMC, that do not require Verizon to provide a service or function on behalf of KMC, including but not limited to, requests to install additional equipment in KMC cage. Prior to the installation of the additional equipment, KMC agrees to provide Verizon an application form with an updated equipment listing that includes the new equipment to be installed in KMC's collocation arrangement. Once the equipment list is submitted to Verizon, KMC may proceed with the augment. KMC agrees that changes in equipment provided by KMC under this provision will not exceed the engineering specifications for power and HVAC as requested on original application. All augments will be subject to Company inspection, in accordance with term of this contract for the purpose of ensuring compliance with Company safety standards.

### 3.6 Expansion.

Verizon will not be required to construct additional space to provide for caged, cageless and/or adjacent collocation when available space has been exhausted. Where KMC seeks to expand its existing collocation space, Verizon shall make contiguous space available to the extent possible; provided, however, Verizon does not guarantee contiguous space to KMC to expand its existing collocation space. KMC requests for expansion of existing space within a specific wire center or access tandem will require the submission of an application form and the appropriate Major Augment fee.

### 3.7 Relocation.

KMC requests for relocation of the termination equipment from one location to a different location within the same wire center or access tandem will be handled on an ICB basis. KMC will be responsible for all costs associated with the relocation of its equipment.

## 4. Installation and Operation.

### 4.1 Planning and Coordination.

Upon receipt of the ASR and fifty percent (50%) of the applicable NRCs, as set forth in Appendix G described in Section 6.1, associated with the ordered collocation services, Verizon will:

- (a) Schedule a meeting with KMC to determine engineering and network requirements.
- (b) Initiate the necessary modifications to the wire center or access tandem to accommodate KMC's request.
- (c) Work cooperatively with KMC to ensure that services are installed in accordance with the service requested.



KMC is responsible for coordinating with Verizon to ensure that services are installed in accordance with the ASR. KMC shall meet with Verizon, if requested by Verizon, to review design and work plans for installation of KMC's designated equipment within Verizon premises. Verizon and KMC must meet and begin implementation of the ASR within six (6) months of receipt of the collocation application form and engineering fee(s) set forth in Appendix G described in Section 6.1 or the identified space may be reclaimed and made available for use as provided in Section 5.6. KMC is responsible to have all cables and other equipment to be furnished by KMC ready for installation on the date scheduled. If KMC fails to notify Verizon of a delay in the installation date, KMC will be subject to the appropriate additional labor charge set forth on Appendix G described in Section 6.1.

#### 4.2 Space Preparation.

- 4.2.1 Cage Construction. For caged collocation, Verizon will construct the cage with a standard enclosure or KMC may subcontract this work to a Verizon approved contractor.
- 4.2.2 Site Selection/Power. Verizon shall designate the space within its wire center and/or access tandem where KMC shall collocate its equipment. Verizon shall provide, at the rates set forth in Appendix G described in Section 6.1, 48V DC power with generator and/or battery back-up, AC convenience outlet, heat, air conditioning and other environmental support to KMC's equipment in the same standards and parameters required for Verizon equipment within that wire center or access tandem. Standard 48V DC power shall be provided in 40 amp increments. Verizon will be responsible for the installation of the AC convenience outlets, overhead lighting and equipment superstructure per the established rates.
- 4.2.3 Timing. Verizon shall use its best efforts to minimize the additional time required to condition collocation space, and will inform KMC of the time estimates as soon as possible. Verizon shall complete delivery of the floor space to KMC within ninety (90) days of receipt of the ASR and fifty percent (50%) of the NRCs assuming that the material shipment and construction intervals for the improvements required to accommodate the request (e.g., HVAC, system/power plant upgrade/cables) are met. Space delivery within such timeframe shall also be subject to the permitting process of the local municipality. Prior to KMC beginning the installation of its equipment in a cage, bay or cabinet, KMC and Verizon must conduct a walk through of the designated collocation space. Upon acceptance of the arrangement by KMC, billing will be initiated, access cards will be issued and KMC may begin installation of its equipment.

#### 4.3 Equipment and Facilities.

- 4.3.1. Purchase of Equipment. KMC will be responsible for supply, purchase, delivery, installation and maintenance of its equipment and equipment bay(s) in the collocation area. If KMC chooses, Verizon will assist KMC in the purchase of equipment by establishing a contact point with Verizon Supply. Verizon is not responsible for the design, engineering, or performance of KMC's equipment and provided facilities for collocation.
- 4.3.2. Permissible Equipment. KMC is permitted to place in its collocation space only equipment that is used or useful for interconnection or access to unbundled network elements. KMC shall not place in its collocation space equipment that is designed exclusively for switching or enhanced services and that are not necessary for interconnection or access to unbundled network elements. KMC may place in

its collocation space ancillary equipment such as cross connect frames, and metal storage cabinets. Metal storage cabinets must meet Verizon wire center environmental standards.

- 4.3.3. Specifications. KMC's facilities shall not physically, electronically, or inductively interfere with or impair the service of Verizon's or other CLEC's facilities, create hazards or cause physical harm to any individual or the public. All CLEC equipment used for caged and cageless collocation must be tested to, and expected to meet, one of the following requirements as described in the CSP: (a) be tested to, and fully meet, Network Equipment Building Systems (NEBS) Level 3 requirements; or (b) be tested to, and meet, at least the NEBS Level 1 family of requirements as described in Bellcore Special Report SR-3580, plus specific additional risk/safety/hazard criteria specified in the CSP. Equipment that does not conform to this requirement must be installed in a compliant NEBS Level 3 cabinet. However, any CLEC equipment that does not conform to NEBS Level 1 will not be allowed to be installed.

Verizon reserves the right to remove and/or refuse use of CLEC facilities and equipment from its list of approved products if such products, facilities, and equipment are determined to be no longer compliant with NEBS standards or Electromagnetic Compatibility and Electrical Safety Generic Criteria for Network Telecommunications Equipment (GR-1089-CORE). Verizon also reserves the right to remove and/or refuse use of KMC facilities or equipment which does not meet or comply with: (a) fire and safety codes; (b) the same specific risk/safety/hazard standards which Verizon imposes on its own wire center and access tandem equipment; (c) Verizon practices for AC/DC bonding and grounding requirements; and/or (d) the industry standard requirements shown in the following publications:

- (a) TR-NWT-000499
- (b) TR-NWT-000063
- (c) TR-TSY-000191
- (d) TR-TSY-000487
- (e) TR-NPL-000320
- (f) Part 15.109 (47 C.F.R. FCC Rules and Regulations)
- (g) ANSI T1.102
- (h) UL 94

More detailed specifications information will be provided to KMC in the CSP.

- 4.3.4. Cable. KMC is required to provide proper cabling, based on circuit type (VF, DS0, xDSL, DS1, DS3, etc.) to ensure adequate shielding. Verizon cable standards (which are set forth in the CSP) are required to reduce the possibility of interference. KMC is responsible for providing fire retardant riser cable that meets Verizon standards. Verizon is responsible for placing KMC's fire retardant riser cable from the cable vault to the collocation space. Verizon is responsible for installing KMC provided fiber optic cable in the cable space or conduit from the first

manhole outside of the wire center or access tandem into the wire center or access tandem. This may be shared conduit with dedicated inner duct. Where KMC is providing underground fiber optic cable in the first manhole outside of the wire center or access tandem, it must be of sufficient length as specified by Verizon to be pulled through the wire center or access tandem to KMC's collocation space. Due to physical and technical constraints, removal of cable will be at Verizon's option. Verizon will make every effort to contact KMC in the event KMC's equipment disrupts the network. If Verizon is unable to make contact with KMC, Verizon shall temporarily disconnect KMC's service, as provided in Section 4.7. Verizon will notify KMC as soon as possible after any disconnects of KMC's equipment.

- 4.3.5. Manhole/Splicing Restrictions. Verizon reserves the right to prohibit all equipment and facilities, other than fiber optic cable, in its manholes. KMC will not be permitted to splice fiber optic cable in the first manhole outside of the wire center or access tandem. Where KMC is providing underground fiber optic cable in Manhole #1, it must be of sufficient length as specified by Verizon to be pulled through the wire center or access tandem to KMC's collocation space. Verizon is responsible for installing a cable splice, if necessary, where KMC provided fiber optic cable meets Verizon standards within the wire center or access tandem cable vault or designated splicing chamber. Verizon will provide space and racking for the placement of an approved secured fire retardant splice enclosure.
- 4.3.6. Access Points and Restrictions. The interconnection point for caged and cageless collocation is the point where KMC-owned cable facilities connect to Verizon termination equipment. The demarcation point for KMC is KMC's terminal equipment or interconnect/cross connect panel within KMC's cage, bay/frame or cabinet. KMC must tag all entrance facilities to indicate ownership. KMC will not be allowed access to Verizon's DSX line-ups, MDF or any other Verizon facility termination points. The DSX and MDF are to be considered Verizon demarcation points only. Only Verizon employees, agents or contractors will be allowed access to the MDF or DSX to terminate facilities, test connectivity, run jumpers and/or hot patch in-service circuits.
- 4.3.7. Staging Area. For caged and cageless collocation arrangements, KMC shall have the right to use a designated staging area, a portion of the wire center(s) or access tandem(s) and loading areas, if available, on a temporary basis during KMC's equipment installation work in the collocation space. KMC is responsible for protecting Verizon's equipment and wire center or access tandem walls and flooring within the staging area and along the staging route. KMC will meet all Verizon fire, safety, security and environmental requirements. The temporary staging area will be vacated and delivered to Verizon in an acceptable condition upon completion of the installation work. KMC may also utilize a staging trailer, which can be located on the exterior premises of Verizon's wire center or access tandem. Verizon may assess KMC a market value lease rate for the area occupied by the trailer.
- 4.3.8. Testing. Upon installation of KMC's equipment, and with prior notice, Verizon will schedule time to work with KMC during the turn-up phase of the equipment to ensure proper functionality between KMC's equipment and the connections to Verizon equipment. The time period for this to occur will correspond to Verizon's maintenance window installation requirements. It is solely the responsibility of

KMC to provide their own monitor and test points, if required, for connection directly to their terminal equipment.

- 4.3.9. Collocator to Collocator Interconnect Arrangements. Verizon shall provide, upon KMC's request, a Collocator to Collocator Interconnect arrangement between KMC's equipment and the equipment of other collocated CLECs. When initiating a Collocator to Collocator Interconnect request, KMC must submit an Application Form, ASR, and a Minor Augment fee. Verizon will be responsible for engineering and installing the overhead superstructure for the Collocator to Collocator Interconnect arrangement, if required, and determining the appropriate cable route. KMC has the option of providing all cables and connectors and the option of pulling the cables for the Collocator to Collocator Interconnect arrangement. If Verizon provides the cables and connectors and/or pulls the cable, the applicable cable and labor rates will be applied.

4.4 Access to Collocation Space.

Verizon will permit KMC's employees, agents, and contractors approved by Verizon to have direct access to KMC's caged or cageless collocated equipment twenty-four (24) hours a day, seven (7) days a week. KMC's employees, agents, or contractors must comply with the policies and practices of Verizon pertaining to fire, safety, and security as described in Verizon's Security Procedures and Requirements Guidelines, which are attached to the CSP. Verizon reserves the right, with 24 hours prior notice to KMC, to access KMC's collocated partitioned space to perform periodic inspections to ensure compliance with Verizon installation, safety and security practices. Where KMC shares a common entrance to the wire center or access tandem with Verizon, the reasonable use of shared building facilities, e.g., elevators, unrestricted corridors, etc., will be permitted. However, access to such facilities may be restricted by security requirements for good cause shown, and a Verizon employee may accompany KMC's personnel.

4.5 Network Outage, Damage and Reporting.

KMC shall be responsible for: (a) any damage or network outage occurring as a result of KMC owned or KMC designated termination equipment in Verizon wire center or access tandem; (b) providing trouble report status when requested; (c) providing a contact number that is readily accessible 24 hours a day, 7 days a week; (d) notifying Verizon of significant outages which could impact or degrade Verizon's switches and services and provide estimated clearing time for restoral; and (e) testing its equipment to identify and clear a trouble report when the trouble has been sectionalized (isolated) to KMC service.

4.6 Security Requirements.

- 4.6.1 Background Tests; Training. All employees, agents and contractors of KMC must meet certain minimum requirements as established in Verizon's CSP. At the time KMC places the collocation ASR for caged or cageless collocation, or as soon as reasonably practicable thereafter, KMC must submit to Verizon's Security Department for prior approval the background investigation certification form included in the CSP for all employees, agents and contractors that will require access to Verizon wire centers and/or access tandems. KMC agrees that its employees/vendors with access to Verizon wire center(s) or access tandem(s) shall at all times adhere to the rules of conduct established by Verizon for the wire center or access tandem and Verizon's personnel and vendors. Verizon reserves the right to make changes to such procedures and rules to preserve the integrity and operation of Verizon's network or facilities or to comply with applicable laws and regulations. Verizon will provide KMC with written notice of such changes.

Where applicable, Verizon will provide information to KMC on the specific type of security training required so KMC's employees can complete such training.

- 4.6.2 Security Standards. Verizon will be solely responsible for determining the appropriate level of security in each wire center or access tandem. Verizon reserves the right to deny access to Verizon buildings for any KMC employee, agent or contractor who cannot meet Verizon's established security standards. Employees, agents or contractors of KMC are required to meet the same security requirements and adhere to the same work rules that Verizon's employees and contractors are required to follow. Verizon also reserves the right: (a) to deny access to Verizon buildings for KMC's employee, agent and contractor for falsification of records, violation of fire, safety or security practices and policies or other just cause; and (b) to provide a Verizon employee, agent or contractor to accompany and observe KMC at no cost to KMC. Verizon may use reasonable security measures to protect its equipment, including enclosing its equipment in its own cage or other separation, utilizing monitored card reader systems, digital security cameras, badges with computerized tracking systems, identification swipe cards, keyed access and/or logs, as deemed appropriate by Verizon.
- 4.6.3 Access Cards/Identification. Access cards or keys will be provided to no more than six (6) individuals for KMC for each Verizon wire center or access tandem. All KMC employees, agents and contractors requesting access to the wire center or access tandem are required to have a photo identification card, which identifies the person by name and the name of KMC. The ID must be worn on the individual's exterior clothing while on Verizon premises. Verizon will provide KMC with instructions and necessary access cards or keys to obtain access to Verizon buildings. KMC is required to immediately notify Verizon by the most expeditious means, when any KMC's employee, agent or contractor with access privileges to Verizon buildings is no longer in its employ, or when keys, access cards or other means of obtaining access to Verizon buildings are lost, stolen or not returned by an employee, agent or contractor no longer in its employ. KMC is responsible for the immediate retrieval and return to Verizon of all keys, access cards or other means of obtaining access to Verizon buildings upon termination of employment of KMC's employee and/or termination of service. KMC shall be responsible for the replacement cost of keys, access cards or other means of obtaining access when lost, stolen or failure of KMC or KMC's employee, agent or contractor to return to Verizon.

4.7 Emergency Access.

KMC is responsible for providing a contact number that is readily accessible 24 hours a day, 7 days a week. KMC will provide access to its collocation space at all times to allow Verizon to react to emergencies, to maintain the building operating systems (where applicable and necessary) and to ensure compliance with OSHA/Verizon regulations and standards related to fire, safety, health and environment safeguards. Verizon will attempt to notify KMC in advance of any such emergency access. If advance notification is not possible Verizon will provide notification of any such entry to KMC as soon as possible following the entry, indicating the reasons for the entry and any actions taken which might impact KMC's facilities or equipment and its ability to provide service. Verizon will restrict access to KMC's collocation space to persons necessary to handle such an emergency. The emergency provisioning and restoration of interconnection service shall be in accordance with Part 64, Subpart D, Paragraph 64.401, of the FCC's Rules and Regulations, which specifies the priority for such activities. Verizon reserves the right, without prior notice, to access KMC's collocation space in an emergency, such as fire or

other unsafe conditions, or for purposes of averting any threat of harm imposed by KMC or KMC's equipment upon the operation of Verizon's equipment, facilities and/or employees located outside KMC's collocation space. Verizon will notify KMC as soon as possible when such an event has occurred. In case of a Verizon work stoppage, KMC's employees, contractors or agents will comply with the emergency operation procedures established by Verizon. Such emergency procedures should not directly affect KMC's access to its premises, or ability to provide service. KMC will notify Verizon point of contact of any work stoppages by KMC employees.

## 5. Space Requirements.

### 5.1 Space Availability.

Verizon shall permit KMC to secure collocation space on a the first-come, first-serve priority basis upon Verizon's receipt of fifty percent (50%) of the applicable NRCs described in Section 4.1. If Verizon is unable to accommodate caged and cageless collocation requests at a wire center or access tandem due to space limitations or other technical reasons, Verizon will post a list of all such sites on its Website and will update the list within ten (10) business days of any known changes. This information will be listed at the following public Internet URL:

<http://www.gte.com/Regulatory>

Where Verizon is unable to accommodate caged and cageless collocation requests at a wire center or access tandem due to space limitations or other technical reasons, Verizon shall: (a) submit to the state commission, subject to any protective order as the state may deem necessary, detailed floor plans or diagrams of the wire center or access tandem; and (b) allow KMC to tour the entire premises of the wire center or access tandem, without charge, within (10) business days of the tour request.

### 5.2 Minimum/Maximum/Additional Space.

The minimum amount of floor space available to KMC at the time of the initial application will be twenty-five (25) square feet of caged collocation space or one (1) single bay in the case of cageless collocation. The maximum amount of space available in a specific wire center or access tandem to KMC will be limited to the amount of existing suitable space which is technically feasible to support the collocation arrangement requested. Existing suitable space is defined as available space in a wire center or access tandem which does not require the addition of AC/DC power, heat and air conditioning, battery and/or generator back-up power and other requirements necessary for provisioning collocation services. Additional space to provide for caged, cageless and/or adjacent collocation will be provided on a per request basis, where available. Additional space can be requested by KMC by completing and submitting a new application form and the applicable non-refundable engineering fee set forth in Appendix G described in Section 6.1. Verizon will not be required to lease additional space when available space has been exhausted.

### 5.3 Use of Space.

Verizon and KMC will work cooperatively to determine proper space requirements, and efficient use of space. In addition to other applicable requirements set forth in this Agreement, KMC shall install all its equipment within its designated area in contiguous line-ups in order to optimize the utilization of space within Verizon's premises. KMC shall use the collocation space solely for the purposes of installing, maintaining and operating KMC's equipment to interconnect for the exchange of traffic with Verizon and/or for purposes of accessing unbundled network elements and for no other purposes. KMC shall not

construct improvements or make alterations or repairs to the collocation space without the prior written approval of Verizon. The collocation space may not be used for administrative purposes and may not be used as KMC's employee(s) work location, office or retail space, or storage. The collocation space shall not be used as KMC's mailing or shipping address.

#### 5.4 Reservation of Space.

Verizon reserves the right to manage its wire center and access tandem conduit requirements and to reserve vacant space for planned facility. Verizon will retain and reserve a limited amount of vacant floor space within its wire centers and access tandems for its own specific future uses on terms no more favorable than applicable to other CLECs seeking to reserve collocation space for their own future use. If the remaining vacant floor space within a wire center or access tandem is reserved for Verizon's own specific future use, the wire center or access tandem will be exempt from future caged and cageless collocation requests. KMC shall not be permitted to reserve wire center or access tandem cable space or conduit system. If new conduit is required, Verizon will negotiate with KMC to determine an alternative arrangement for the specific location. KMC will be allowed to reserve collocation space for its caged/cageless arrangements based on KMC's documented forecast provided Verizon and subject to space availability. Such forecast must demonstrate a legitimate need to reserve the space for use on terms no more favorable than applicable to Verizon seeking to reserve vacant space for its own specific use. Cageless collocation bays may not be used solely for the purpose of storing KMC equipment.

#### 5.5 Collocation Space Report.

Upon request by KMC and upon KMC signing a collocation nondisclosure agreement, Verizon will make available a collocation space report with the following information for the wire center or access tandem requested:

- (a) Amount of caged and cageless collocation space available;
- (b) Number of telecommunications carriers with existing collocation arrangements;
- (c) Modifications of the use of space since the last collocation space report requested; and,
- (d) Measures being taken, if any, to make additional collocation spaces available.

The collocation space report is not required prior to the submission of a collocation application for a specific wire center or access tandem in order to determine collocation space availability for the wire center or access tandem. The collocation space report will be provided to KMC within ten (10) business days of the request provided the request is submitted during the ordinary course of business. A collocation space report fee contained in Appendix G will be assessed per request and per wire center or access tandem.

#### 5.6 Reclamation.

When initiating an application form, KMC must have started installing equipment approved for collocation at Verizon wire center or access tandem within a reasonable period of time, not to exceed six (6) months from the date KMC accepts the collocation arrangement. If KMC does not utilize its collocation space within the established time period, and has not met the space reservation requirements of Section 5.4, Verizon may reclaim the unused collocation space to accommodate another CLEC's request or Verizon's future space requirements. Verizon shall have the right, for good cause shown, and upon six (6) months'

notice, to reclaim any collocation space, cable space or conduit space in order to fulfill its obligation under public service law and its tariffs to provide telecommunication services to its end users. In such cases, Verizon will reimburse KMC for reasonable direct costs and expenses in connection with such reclamation. Verizon will make every reasonable effort to find other alternatives before attempting to reclaim any such space.

6. Pricing.

6.1 Rate Sheet.

Except as otherwise described herein, the rates for Verizon's collocation services provided pursuant to this Agreement are set forth in Appendix G attached hereto. The rates identified in this attachment may be superseded by rates contained in future final, binding and non-appealable regulatory orders or as otherwise required by legal requirements (the "final rates"). In particular, Verizon may elect to file a state tariff which shall contain final rates that supersede the rates in said attachment. To the extent that the final rates, or the terms and conditions for application of the final rates, are different than the rates in Appendix G, the final rates will be applied retroactively to the effective date of this Agreement. The Parties will true up any resulting over or under billing.

6.2 Billing and Payment.

The initial payment of NRCs shall be due and payable in accordance with Section 4.1. The balance of the NRCs and all related monthly recurring service charges will be billed to KMC when Verizon provides KMC access to the caged, cageless or adjacent collocation arrangement and shall be payable in accordance with applicable established payment deadlines.

6.3 Allocation of Site Preparation Costs.

KMC shall be responsible for payment of the site preparation charge with respect to: (i) each original application; and (ii) each additional application or augment application which involves expansion of existing square footage or additional bays. The site preparation charge is a nonrecurring charge designed to recover Verizon's costs associated with preparing wire center(s) or access tandem(s) to accommodate collocation. For caged collocation arrangements (including shared and sublease arrangements), the site preparation charge shall be applied on a per square foot basis. . For cageless collocation arrangements, the site preparation charge shall be applied on a per bay basis. Site preparation rates are specified in Appendix G.

7. Indemnification.

In addition to their other respective indemnification and liability obligations hereunder, the Parties shall meet the following obligations. To the extent that this provision conflicts with any other provision in this Agreement, this provision shall control.

- 7.1 KMC shall defend, indemnify and save harmless Verizon, its directors, officers, employees, servants, agents, affiliates and parent from and against any and all suits, claims, demands, losses, claims, and causes of action and costs, including reasonable attorneys' fees, whether suffered, made, instituted or asserted by KMC or by any other party, which are caused by, arise out of or are in any way related to: (i) the installation, maintenance, repair, replacement, presence, engineering, use or removal of KMC's equipment or by the proximity of such equipment to the equipment of other parties occupying space in Verizon's wire center(s) or access tandem(s), including, without limitation, damages to property and injury or death to persons, including payments made under Workers' Compensation Law or under any plan for employees' disability and death benefits; (ii) KMC's failure to comply



with any of the terms of this Agreement; or (iii) any act or omission of KMC, its employees, agents, affiliates, former or striking employees or contractors. The obligations of this Section shall survive the termination, cancellation, modification or rescission of this Agreement, without limit as to time.

- 7.2 Subject to any limitations of liability set forth in this Agreement, Verizon shall be liable to KMC only for and to the extent of any damage directly and primarily caused by the negligence of Verizon's agents or employees to KMC designated facilities or equipment occupying Verizon's wire center or access tandem. Verizon shall not be liable to KMC or its customers for any interruption of KMC's service or for interference with the operation of KMC's designated facilities arising in any manner out of KMC's presence in Verizon's wire center(s) or access tandem(s), unless such interruption or interference is caused by Verizon's willful misconduct. In no event shall Verizon or any of its directors, officers, employees, servants, agents, affiliates and parent be liable for any loss of profit or revenue by KMC or for any loss of AC or DC power, HVAC interruptions, consequential, incidental, special, punitive or exemplary damages incurred or suffered by KMC, even if Verizon has been advised of the possibility of such loss or damage. Verizon's failure to meet any of its obligations under this Agreement shall be excused by labor difficulties, governmental orders, civil commotions, acts of God or any circumstances beyond Verizon's reasonable control.

8. Insurance.

- 8.1 Coverage Limits. KMC shall, at its sole cost and expense, obtain, maintain, pay for and keep in force the following minimum insurance, underwritten by an insurance company(s) having a Best's insurance rating of at least A-, financial size category VII.
- (a) Commercial general liability coverage on an occurrence basis in an amount of \$1,000,000 combined single limit for bodily injury and property damage with a policy aggregate per location of \$2,000,000. This coverage shall include contractual liability.
  - (b) Umbrella/Excess Liability coverage in an amount of \$10,000,000 excess of coverage specified in (a) above.
  - (c) All Risk Property coverage on a full replacement cost basis insuring all of KMC's real and personal property located on or within Verizon wire centers. KMC may also elect to purchase business interruption and contingent business interruption insurance, knowing that Verizon has no liability for loss of profit or revenues should an interruption of service occur.
  - (d) Statutory Workers Compensation coverage.
  - (e) Employers Liability coverage in an amount of \$500,000 each accident.
  - (f) Commercial Automobile Liability coverage insuring all owned, hired and non-owned automobiles.

Notwithstanding anything herein to the contrary, the coverage requirements described in (c)-(f) above shall only be required if KMC orders collocation services pursuant to this Article IX. The minimum amounts of insurance required in this section, may be satisfied by KMC purchasing primary coverage in the amounts specified or by KMC buying a separate umbrella and/or excess policy together with lower limit primary underlying coverage. The

structure of the coverage is at KMC's option, so long as the total amount of insurance meets Verizon's minimum requirements.

- 8.2 Deductibles. Any deductibles, self-insured retentions (SIR), loss limits, retentions, etc. (collectively, "retentions") must be disclosed on a certificate of insurance provided to Verizon, and Verizon reserves the right to reject any such retentions in its reasonable discretion. All retentions shall be the responsibility of the KMC.
- 8.3 Additional Insureds. Verizon and its affiliates (which includes any corporation controlled by, controlling or in common control with Verizon Corporation), its respective directors, officers and employees shall be named as additional insureds under all General Liability and Umbrella/Excess Liability Policies obtained by KMC. Said endorsement shall provide that such additional insurance is primary insurance and shall not contribute with any insurance or self-insurance that Verizon has secured to protect itself. All of the insurance afforded by the KMC shall be primary in all respects, including KMC's Umbrella/Excess Liability insurance. Verizon's insurance coverage shall be excess over any indemnification and insurance afforded by KMC and required hereby.
- 8.4 Waiver of Subrogation Rights. KMC waives and will require all of its insurers to waive all rights of subrogation against Verizon (including Verizon Corporation and any other affiliated and/or managed entity), its directors, officers and employees, agents or assigns, whether in contract, tort (including negligence and strict liability) or otherwise.
- 8.5 Evidence of Insurance. All insurance must be in effect on or before Verizon authorizes access by KMC employees or placement of KMC equipment or facilities within Verizon premises and such insurance shall remain in force as long as KMC's facilities remain within any space governed by this Agreement. If KMC fails to maintain the coverage, Verizon may pay the premiums and seek reimbursement from KMC. Failure to make a timely reimbursement will result in disconnection of service. KMC agrees to submit to Verizon a certificate of insurance ACORD Form 25-S (1/95), or latest edition, such certificate to be signed by a duly authorized officer or agent of the Insurer, certifying that the minimum insurance coverages and conditions set forth herein are in effect, and that Verizon will receive at least thirty (30) days notice of policy cancellation, expiration or non-renewal. At least thirty (30) days prior to the expiration of the policy, Verizon must be furnished satisfactory evidence that such policy has been or will be renewed or replaced by another policy. At Verizon's request, KMC shall provide copies of the insurance provisions or endorsements as evidence that the required insurance has been procured, and that Verizon has been named as an additional insured, prior to commencement of any service. In no event shall permitting KMC access be construed as a waiver of the right of Verizon to assert a claim against KMC for breach of the obligations established in this section.
- 8.6 Compliance Requirements. KMC shall require its contractors to comply with each of the provisions of this insurance section. This includes, but is not limited to, maintaining the minimum insurance coverages and limits, naming Verizon (including Verizon Corporation and any other affiliated and/or managed entity) as an additional insured under all liability insurance policies, and waiving all rights of subrogation against Verizon (including Verizon Corporation and any other affiliated and/or managed entity), its directors, officers and employees, agents or assigns, whether in contract, tort (including negligence and strict liability) or otherwise. Prior to commencement of any work, KMC shall require and maintain certificates of insurance from each contractor evidencing the required coverages. At Verizon's request, KMC shall supply to Verizon copies of such certificates of insurance or require the contractors to provide insurance provisions or endorsements as evidence that the required insurance has been procured. KMC must also conform to the

recommendation(s) made by Verizon's fire insurance company, which Verizon has already agreed to or shall hereafter agree to.

9. Confidentiality.

In addition to its other confidentiality obligations hereunder, KMC shall not use or disclose and shall hold in confidence all information of a competitive nature provided to KMC by Verizon in connection with collocation or known to KMC as a result of KMC's access to Verizon's wire center(s) or access tandem(s) or as a result of the interconnection of KMC's equipment to Verizon's facilities. Similarly, Verizon shall not use or disclose and shall hold in confidence all information of a competitive nature provided to it by KMC in connection with collocation or known to Verizon as a result of the interconnection of KMC's equipment to Verizon's facilities. Such information is to be considered proprietary and shared within Verizon and KMC on a need to know basis only. Neither Verizon nor KMC shall be obligated to hold in confidence information that:

- (a) Was already known to KMC free of any obligation to keep such information confidential;
- (b) Was or becomes publicly available by other than unauthorized disclosure; or
- (c) Was rightfully obtained from a third party not obligated to hold such information in confidence.

To the extent that this provision conflicts with any other provision in this Agreement, this provision shall control.

10. Casualty.

If the collocation equipment location in Verizon's wire center(s) or access tandem(s) is rendered wholly unusable through no fault of KMC, or if the building shall be so damaged that Verizon shall decide to demolish it, rebuild it, or abandon it for wire center or access tandem purposes (whether or not the demised premises are damaged in whole or in part), then, in any of such events, Verizon may elect to terminate the collocation arrangements in the damaged building by providing written notification to KMC as soon as practicable but no later than one hundred eighty (180) days after such casualty specifying a date for the termination of the collocation arrangements, which shall not be more than sixty (60) days after the giving of such notice. Upon the date specified in such notice, the term of the collocation arrangement shall expire as fully and completely as if such date were the date set forth above for the termination of this Agreement. KMC shall forthwith quit, surrender and vacate the premises without prejudice. Unless Verizon shall serve a termination notice as provided for herein, Verizon shall make the repairs and restorations with all reasonable expedition subject to delays due to adjustment of insurance claims, labor troubles and causes beyond Verizon's reasonable control. After any such casualty, KMC shall cooperate with Verizon's restoration by removing from the collocation space, as promptly as reasonably possible, all of KMC's salvageable inventory and movable equipment, furniture and other property. Verizon will work cooperatively with KMC to minimize any disruption to service, resulting from any damage. Verizon shall provide written notification to KMC detailing its plans to rebuild and will restore service as soon as practicable. In the event of termination, Verizon's rights and remedies against KMC in effect prior to such termination, and any fees owing, shall be paid up to such date. Any payments of fees made by KMC which were because any period after such date shall be returned to KMC.

11. Termination of Service.

11.1 Grounds for Termination. Verizon's obligation to provide collocation is contingent upon KMC's compliance with the terms and conditions of this Article IX and other applicable requirements of this Agreement, including, without limitation, Verizon's receipt of all

applicable fees, rates, charges, application forms and required permits. Failure of KMC to make payments when due may result in termination of service. In addition to the other grounds for termination of collocation services set forth herein, Verizon also reserves the right to terminate such services upon thirty (30) days notice in the event KMC: (a) is not in conformance with Verizon standards and requirements; and/or (b) imposes continued disruption and threat of harm to Verizon employees and/or network, or Verizon's ability to provide service to other CLECs.

- 11.2 Effects of Termination. Upon the termination of collocation service, KMC shall disconnect and remove its equipment from the designated collocation space. Verizon reserves the right to remove KMC's equipment if KMC fails to remove and dispose of the equipment within the thirty (30) days of discontinuance. KMC will be charged the appropriate additional labor charge in Appendix G for the removal of such equipment. Upon removal by KMC of all its equipment from the collocation space, KMC will reimburse Verizon for the cost to restore the collocation space to its original condition at time of occupancy. The cost will be applied based on the additional labor charges rate set forth in Appendix G. Upon termination of collocation services, KMC relinquishes all rights, title and ownership of cable to Verizon.

12. Miscellaneous.

Verizon retains ownership of wire center or access tandem floor space, adjacent land and equipment used to provide all forms of collocation. Verizon reserves for itself and its successors and assignees, the right to utilize the wire center(s) or access tandem(s) space in such a manner as will best enable it to fulfill Verizon's service requirements. KMC does not receive, as a result of entering into a collocation arrangement hereunder, any right, title or interest in Verizon's wire center facility, the multiplexing node, multiplexing node enclosure, cable space, cable racking, vault space or conduit space other than as expressly provided herein. To the extent that KMC requires use of a Verizon local exchange line, KMC must order a business local exchange access line (B1). KMC may not use Verizon official lines.

## ARTICLE X

### ACCESS TO POLES, DUCTS, CONDUITS AND RIGHTS-OF-WAY

To the extent required by the Act, Verizon and KMC shall each afford to the other access to the poles, ducts, conduits and ROWs it owns or controls on terms, conditions and prices comparable to those offered to any other entity pursuant to each Party's tariffs and/or standard agreements. Accordingly, if Verizon and KMC desire access to the other Party's poles, ducts, or ROWs, Verizon and KMC shall execute pole attachment and conduit occupancy agreements. KMC agrees that pole attachment and conduit occupancy agreements must be executed separately before it makes any attachments to Verizon facilities or uses Verizon's conduit according to the terms of this Agreement. Unauthorized attachments or unauthorized use of conduit will be a breach of this agreement.

ARTICLE XI  
SIGNATURE PAGE

IN WITNESS WHEREOF, each Party has executed this Agreement to be effective upon approval by the Commission in accordance with Section 252 of the Act. The "effective date" of this Agreement for such purposes will be established by the Commission approval order.

**VERIZON NORTH INC.,  
F/K/A GTE NORTH INCORPORATED**

**KMC TELECOM V, INC.**

By \_\_\_\_\_

By \_\_\_\_\_

Name \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

# APPENDIX A RATES AND CHARGES FOR TRANSPORT AND TERMINATION OF TRAFFIC

General. The rates contained in this Appendix A are the rates as defined in Article V and are subject to change resulting from future Commission or other proceedings, including but not limited to any generic proceeding to determine Verizon's unrecovered costs (e.g., historic costs, contribution, undepreciated reserve deficiency, or similar unrecovered Verizon costs (including Verizon's interim Universal Service Support Surcharge)), the establishment of a competitively neutral universal service system, or any appeal or other litigation.

Each Party will bill the other Party as appropriate:

- A. The Local Interconnection rate element that applies to Local Traffic on a minute of use basis that each Party switches for termination purposes at its wire centers. The local interconnection rate is **\$0.0041110**.
- B. The Tandem Switching rate element that applies to tandem routed Local Traffic on a minute of use basis. The tandem switching rate is **\$0.0007228**.
- C. The Common Transport Facility rate element that applies to tandem routed Local Traffic on a per minute/per mile basis. The Common Transport Facility rate is **\$0.0000034**.
- D. The Common Transport Termination element that applies to tandem routed Local Traffic on a per minute/per termination basis. The Common Transport Termination rate is **\$0.0000892**.
- E. The Tandem Transiting Charge is comprised of the following rate elements:

Tandem Switching:	= <b>\$0.0007228</b>
Tandem Transport (10 mile average): 10 x \$0.0000034	= <b>\$0.0000340</b>
Transport Termination (2 Terminations): 2 x \$0.0000892	= <b>\$0.0001784</b>
Transiting Charge:	<b>\$0.0009352</b>
- F. Initial Factors:

1. PLU	<b>95%</b>
2. Initial Proportionate Share Factor	<b>50%</b>
3. Exempt Factor	<b>5%</b>

## APPENDIX B

### RATES AND CHARGES FOR NUMBER PORTABILITY

General. The rates contained in this Appendix B are as defined in Article V, Section 7, and are subject to change resulting from future Commission or other proceedings, including but not limited to any generic proceeding to determine Verizon's unrecovered costs (e.g., historic costs, contribution, undepreciated reserve deficiency, or similar unrecovered Verizon costs (including Verizon's interim Universal Service Support Surcharge)), the establishment of a competitively neutral universal service system, or any appeal or other litigation.

#### Interim Number Portability

Remote Call Forwarding	\$ 4.40 line/month
Simultaneous Call Capability	\$ 2.60 path/month

#### Non-Recurring Charges (NRCs) for Interim Number Portability

##### Pre-ordering

CLEC Account Establishment Per CLEC	\$ 273.09
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##### Ordering and Provisioning

Initial Service Order	\$ 41.58
Subsequent Service Order	\$ 29.73
Manual Ordering Charge	\$ 12.17

##### Custom Handling

Service Order Expedite	\$ 12.59
Coordinated Conversion	\$ 17.76
Hot Coordinated Conversion First Hour	\$ 30.55
Hot Coordinated Conversion Per Additional Quarter Hour	\$ 4.88

#### Application of NRCs

##### Pre-ordering:

CLEC Account Establishment is a one-time charge applied the first time that KMC orders any service from this Agreement.

##### Ordering and Provisioning:

Initial Service Order (ISO) applies per Local Service Request (LSR) if not apart of a Unbundled Network Element (UNE) ISO.

Subsequent Service Order applies per LSR for modifications to an existing LNP service.



Manual Ordering Charge applies to orders that require Verizon to manually enter KMC's order into Verizon's Secure Integrated Gateway System (SIGS), e.g. faxed orders and orders sent via physical or electronic mail.

Custom Handling (These NRCs are in addition to any Preordering or Ordering and Provisioning NRCs):

Service Order Expedite applies if KMC requests service prior to the standard due date intervals and if not a part of a UNE Expedite.

Coordinated Conversion applies if KMC requests notification and coordination of service cut-over prior to the service becoming effective and if not a part of a UNE Coordinated Conversion.

Hot Coordinated Conversion First Hour applies if KMC requests real-time coordination of a service cut-over that takes one hour or less, and if not a part of a UNE Hot Coordinated Conversion First Hour.

Hot Coordinated Conversion Per Additional Quarter Hour applies, in addition to the Hot Coordinated Conversion First Hour, for every 15-minute segment of real-time coordination of a service cut-over that takes more than one hour, and if not a part of a UNE Hot Coordinated Conversion Per Additional Quarter Hour.

In addition, as defined in Article V, Section 3.2.3, the Party providing the ported number will pay the other Party the following rate per line per month for each ported business line and the rate per line per month for each ported residential line for the sharing of Access Charges on calls to ported numbers.

Business Rate Per Line Per Month:	\$ 3.99
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Residential Rate Per Line Per Month:	\$ 2.41
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## APPENDIX C

### SERVICES AVAILABLE FOR RESALE

General. The rates for resold services described herein are based upon an avoided cost discount from Verizon's retail rates. The avoided cost discount is subject to change resulting from future Commission or other proceedings, including but not limited to any generic proceeding to determine Verizon's unrecovered costs (e.g., historic costs, contribution, undepreciated reserve deficiency, or similar unrecovered Verizon costs (including Verizon's interim Universal Service Support Surcharge)), the establishment of a competitively neutral universal service system, or any appeal or other litigation.

Verizon assesses a separate interim universal service fund surcharge for resale of Basic Local Exchange Residential and Business Services at the avoided cost discount set forth to provide continued universal service support that is implicit in Verizon's current retail services prices. This surcharge is being addressed (or will be addressed) by the Commission or a court of competent jurisdiction. The parties agree that Verizon will offer for resale Basic Local Exchange Residential and Business Services without the interim surcharge, but subject to the following terms and conditions:

- A. KMC agrees that within thirty (30) days after the effective date of a Commission or court order affirming Verizon's interim surcharge, KMC will (i) begin paying the monthly interim surcharge in accord with Appendix C, and (ii) make a lump sum payment to Verizon of the total interim surcharges retroactive to the effective date of this Agreement.
- B. Notwithstanding any provision in this Agreement, Verizon may, at its sole discretion and at any time, seek injunctive or other relief (i) requiring KMC to pay Verizon's interim surcharge or (ii) requiring the Commission to immediately impose the interim surcharge.
- C. Nothing in this Agreement shall restrict or impair Verizon from seeking injunctive relief or any other remedy at any time and in any court regarding Verizon's interim surcharge or the Commission's rejection or modification of Verizon's interim surcharge.

The avoided cost discount for OS/DA is 1.5%. The avoided cost discount for all services, excluding OS/DA, is 8.6%.

#### **Non-Recurring Charges (NRCs) for Resale Services**

##### Pre-ordering

CLEC Account Establishment Per CLEC	\$ 273.09
Customer Record Search Per Account	\$ 11.69

##### Ordering and Provisioning

Engineered Initial Service Order (ISO) - New Service	\$ 311.98
Engineered Initial Service Order - As Specified	\$ 123.84
Engineered Subsequent Service Order	\$ 59.61
Non-Engineered Initial Service Order - New Service	\$ 42.50
Non-Engineered Initial Service Order - Changeover	\$ 21.62
Non-Engineered Initial Service Order - As Specified	\$ 82.13
Non-Engineered Subsequent Service Order	\$ 19.55

Central Office Connect	\$ 12.21
Outside Facility Connect	\$ 68.30
Manual Ordering Charge	\$ 12.17

#### Product Specific

NRCs, other than those for Pre-ordering, Ordering and Provisioning, and Custom Handling as listed in this Appendix, will be charged from the appropriate retail tariff. No discount applies to such NRCs.

#### Custom Handling

Service Order Expedite:	
Engineered	\$ 35.48
Non-Engineered	\$ 12.59
Coordinated Conversions:	
ISO	\$ 17.76
Central Office Connection	\$ 10.71
Outside Facility Connection	\$ 9.59
Hot Coordinated Conversion First Hour:	
ISO	\$ 30.55
Central Office Connection	\$ 42.83
Outside Facility Connection	\$ 38.34
Hot Coordinated Conversion per Additional Quarter Hour:	
ISO	\$ 4.88
Central Office Connection	\$ 9.43
Outside Facility Connection	\$ 8.37

#### Application of NRCs

##### Pre-ordering:

CLEC Account Establishment is a one-time charge applied the first time that KMC orders any service from this Agreement.

Customer Record Search applies when KMC requests a summary of the services currently subscribed to by the end-user.

##### Ordering and Provisioning:

Engineered Initial Service Order - New Service applies per Local Service Request (LSR) when engineering work activity is required to complete the order, e.g. digital loops.

Non-Engineered Initial Service Order - New Service applies per LSR when no engineering work activity is required to complete the order, e.g. analog loops.

Initial Service Order - As Specified (Engineered or Non-Engineered) applies only to Complex Services for services migrating from Verizon to KMC. Complex Services are services that require a data gathering form or has special instructions.

Non-Engineered Initial Service Order - Changeover applies only to Basic Services for services migrating from Verizon to KMC. End-user service may remain the same or change.

Central Office Connect applies in addition to the ISO when physical installation is required at the central office.

Outside Facility Connect applies in addition to the ISO when incremental field work is required.

Manual Ordering Charge applies to orders that require Verizon to manually enter KMC's order into Verizon's Secure Integrated Gateway System (SIGS), e.g. faxed orders and orders sent via physical or electronic mail.

Custom Handling (These NRCs are in addition to any Preordering or Ordering and Provisioning NRCs):

Service Order Expedite (Engineered or Non-Engineered) applies if KMC requests service prior to the standard due date intervals.

Coordinated Conversion applies if KMC requests notification and coordination of service cut over prior to the service becoming effective.

Hot Coordinated Conversion First Hour applies if KMC requests real-time coordination of a service cut-over that takes one hour or less.

Hot Coordinated Conversion Per Additional Quarter Hour applies, in addition to the Hot Coordinated Conversion First Hour, for every 15-minute segment of real-time coordination of a service cut-over that takes more than one hour.

#### **Universal Service Fund (USF) Support Surcharge**

Residential (per line)	\$ 3.16
Business (per line)	\$ 3.36

## APPENDIX D

### PRICES FOR UNBUNDLED NETWORK ELEMENTS

General. The rates contained in this Appendix D are the rates as defined in Article VII and are subject to change resulting from future Commission or other proceedings, including but not limited to any generic proceeding to determine Verizon's unrecovered costs (e.g., historic costs, contribution, undepreciated reserve deficiency, or similar unrecovered Verizon costs (including Verizon's interim Service Support Surcharge)), the establishment of a competitively neutral universal service system, or any appeal or other litigation. Verizon will offer unbundled loops and ports under the following conditions:

Verizon assesses a separate interim universal service fund surcharge for loops and ports to provide continued universal service support that is implicit in Verizon's current retail services prices; and to respect the careful distinctions Congress has drawn between access to UNEs, on the one hand, and the purchase at wholesale rates of Verizon services on the other. This surcharge is being addressed (or will be addressed) by the Commission or a court of competent jurisdiction. The parties agree that Verizon will offer the port and loop UNEs at the rates set forth below in Appendix D without the interim surcharge, but subject to the following terms and conditions:

- A. KMC agrees that within thirty (30) days after the effective date of a Commission or court order affirming Verizon's interim surcharge, KMC will (i) begin paying the monthly interim surcharge in accord with Appendix D, and (ii) make a lump sum payment to Verizon of the total interim surcharges retroactive to the effective date of this Agreement.
- B. Notwithstanding any provision in this Agreement, Verizon may, at its sole discretion and at any time, seek injunctive or other relief (i) requiring KMC to pay Verizon's interim surcharge or (ii) requiring the Commission to immediately impose the interim surcharge.
- C. Nothing in this Agreement shall restrict or impair Verizon from seeking injunctive relief or any other remedy at any time and in any court regarding Verizon's interim surcharge or the Commission's rejection or modification of Verizon's interim surcharge.

#### Loop Elements

2 Wire Analog Loop (inclusive of NID)	\$ 32.00
4 Wire Analog Loop (inclusive of NID)	\$ 50.00
2 Wire Digital Loop (inclusive of NID)	\$ 32.00
4 Wire Digital Loop (inclusive of NID)	\$ 50.00
DS-1 Loop	\$ 160.31
DS-3 Loop	\$2,584.44
Type C Conditioning	\$ 1.50
Type C Improved Conditioning	\$ 30.00
Type DA Conditioning	\$ 2.00
Mid-Span Repeaters	\$ 74.56

#### Network Interface Device (leased separately)

Basic NID	\$ 1.30
Complex (12 x) NID	\$ 1.40

## Port and Switching Elements

### Ports

Basic Analog Line Side Port	\$ 8.00
Coin Line Side Port	\$ 10.19
ISDN BRI Digital Line Side Port	\$ 22.39
DS-1 Digital Trunk Side Port	\$ 76.10
ISDN PRI Digital Trunk Side Port	\$ 227.19

### Vertical Features

See Attached List

### Usage Charges (must purchase Port)

Local Central Office Switching	\$0.0041110
Shared Transport	
Transport Termination	\$0.0000892
Transport Facility per mile	\$0.0000034
Tandem Switching	\$0.0007228

## Transport Elements

### CLEC Dedicated Transport

CDT 2 Wire	\$ 34.00
CDT 4 Wire	\$ 55.45
CDT DS1	\$ 350.00
CDT DS3 (Optical Interface)	\$1,125.00

### Interoffice Dedicated Transport

IDT DS0 Transport Facility per ALM	\$ 4.13
IDT DS0 Transport Termination	\$ 15.08
IDT DS1 Transport Facility per ALM	\$ 8.21
IDT DS1 Transport Termination	\$ 26.36
IDT DS3 Transport Facility per ALM	\$ 40.36
IDT DS3 Transport Termination	\$ 440.00

### Multiplexing

DS1 to Voice Multiplexing	\$ 200.00
DS3 to DS1 Multiplexing	\$ 462.83

### Ancillary

DS3 Electrical Interface	\$1,500.00
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### Conditioning

DS1 Clear Channel Capability	\$ 24.00
Type C Conditioning	\$ 1.50
Type C Improved Conditioning	\$ 30.00
Type DA Conditioning	\$ 2.00

## Databases and Signaling Systems

### Signaling Links and STP

56 Kbps Links	See GTOC1 Tariff
DS-1 Link	See GTOC1 Tariff

Signal Transfer Point (STP) Port Term	See GTOC1 Tariff
Call Related Databases	
Line Information Database (ABS-Queries)	See GTOC1 Tariff
Toll Free Calling Database (DB800 Queries)	See GTOC1 Tariff

#### **Universal Service Fund (USF) Support Surcharge**

Per Loop	TBD
Per Port	TBD

#### **Non-Recurring Charges (NRCs) for Unbundled Services**

##### **Pre-ordering**

CLEC Account Establishment Per CLEC	\$ 273.09
Customer Record Search	\$ 11.69

##### **Ordering and Provisioning**

##### **Loop:**

Engineered Initial Service Order (ISO)	\$ 294.07
Non-Engineered ISO	\$ 49.31
Central Office Connection	\$ 12.21
Outside Facility Connection	\$ 68.30
Type C Conditioning	\$ 200.00
Type C Improved Conditioning	\$ 200.00
Type DA Conditioning	\$ 200.00

##### **NID :**

ISO	\$ 33.38
Outside Facility Connection	\$ 43.69

##### **Port:**

ISO	\$ 50.46
Subsequent Service Order	\$ 25.67
Central Office Connection	\$ 12.21

##### **Transport:**

ISO	\$ 121.95
Subsequent Service Order	\$ 117.12
Design Charge	\$ 27.00
CDT 2 Wire Connection	\$ 200.00
CDT 4 Wire Connection	\$ 200.00
CDT DS1 Wire Connection	\$ 450.00
CDT DS3 Wire Connection	\$ 675.00
DS1 to Voice Multiplex	\$ 800.00
DS3 to DS1 Multiplex	\$ 450.00
DS1 to Clear Channel Capacity	\$ 90.00
Type C Conditioning	\$ 200.00
Type C Improved Conditioning	\$ 200.00

Type DA Conditioning	\$ 200.00
Manual Ordering Charge	\$ 12.17
Custom Handling	
Service Order Expedite:	
Engineered Loop LSRs	\$ 35.48
All Other LSRs	\$ 12.59
Coordinated Conversions:	
ISO	\$ 17.76
Central Office Connection	\$ 10.71
Outside Facility Connection	\$ 9.59
Hot Coordinated Conversion First Hour:	
ISO	\$ 30.55
Central Office Connection	\$ 42.83
Outside Facility Connection	\$ 38.34
Hot Coordinated Conversion per Additional Quarter Hour:	
ISO	\$ 6.40
Central Office Connection	\$ 10.71
Outside Facility Connection	\$ 9.59

## Application of NRCs

### Pre-ordering:

CLEC Account Establishment is a one-time charge applied the first time that KMC orders any service from this Agreement.

Customer Record Search applies when KMC requests a summary of the services currently subscribed to by the end-user.

### Ordering and Provisioning:

Initial Service Order (ISO) applies per Local Service Request (LSR).

Subsequent Service Order applies per LSR or Access Service Record (ASR) for modifications to an existing Port or Transport service.

Engineered ISO applies per LSR when engineering work activity is required to complete the order.

Non-Engineered ISO applies per LSR when no engineering work activity is required to complete the order.

Central Office Connect applies in addition to the ISO when physical installation is required at the central office.

Outside Facility Connect applies in addition to the ISO when incremental field work is required.

Design Change applies per ASR when an engineering review is required for a Transport ASR.



CDT Connection applies in addition to the ISO, per facility for the installation of CDT products.

Multiplexing applies in addition to the ISO, per arrangement for the installation of Multiplexing arrangements.

Conditioning applies in addition to the ISO, per Loop or Transport Facility for the installation and grooming of Conditioning requests.

DS1 Clear Channel Capability applies in addition to the ISO, per DS1 for the installation and grooming of DS1 Clear Channel Capability requests.

Manual Ordering Charge applies to orders that requires Verizon to manually enter KMC's order into Verizon's Secure Integrated Gateway System (SIGS), e.g. faxed orders and orders sent via physical or electronic mail.

Custom Handling (These NRCs are in addition to any Preordering or Ordering and Provisioning NRCs):

Service Order Expedite applies if KMC requests service prior to the standard due date intervals.

Coordinated Conversion applies if KMC requests notification and coordination of service cut-over prior to the service becoming effective.

Hot Coordinated Conversion First Hour applies if KMC requests real-time coordination of a service cut-over that takes one hour or less.

Hot Coordinated Conversion Per Additional Quarter Hour applies, in addition to the Hot Coordinated Conversion First Hour, for every 15-minute segment of real-time coordination of a service cut-over that takes more than one hour.

### WISCONSIN UNBUNDLED VERTICAL FEATURES

VERTICAL FEATURES		(Subject to Availability)
Three Way Calling	\$/Feature/Month	\$1.13
Call Forwarding Variable	\$/Feature/Month	\$1.23
Cust. Changeable Speed Calling 1-Digit	\$/Feature/Month	\$0.90
Cust. Changeable Speed Calling 2-Digit	\$/Feature/Month	\$0.92
Call Waiting	\$/Feature/Month	\$0.73
Cancel Call Waiting	\$/Feature/Month	\$0.25
Automatic Callback	\$/Feature/Month	\$0.41
Automatic Recall	\$/Feature/Month	\$0.32
Calling Number Delivery	\$/Feature/Month	\$4.01
Calling Number Delivery Blocking	\$/Feature/Month	\$0.62
Distinctive Ringing / Call Waiting	\$/Feature/Month	\$1.96
Customer Originated Trace	\$/Feature/Month	\$0.47
Selective Call Rejection	\$/Feature/Month	\$2.53
Selective Call Forwarding	\$/Feature/Month	\$2.94
Selective Call Acceptance	\$/Feature/Month	\$7.43
Call Forwarding Variable CTX	\$/Feature/Month	\$0.92
Call Forwarding Incoming Only	\$/Feature/Month	\$0.26
Call Forwarding Within Group Only	\$/Feature/Month	\$0.25
Call Forwarding Busy Line	\$/Feature/Month	\$0.26
Call Forwarding Don't Answer All Calls	\$/Feature/Month	\$0.48
Remote Call Forward	\$/Feature/Month	\$1.11
Call Waiting Originating	\$/Feature/Month	\$0.33
Call Waiting Terminating	\$/Feature/Month	\$0.71
Cancel Call Waiting CTX	\$/Feature/Month	\$0.25
Three Way Calling CTX	\$/Feature/Month	\$1.38
Call Transfer Individual All Calls	\$/Feature/Month	\$0.31
Add-on Consultation Hold Incoming Only	\$/Feature/Month	\$0.25
Speed Calling Individual 1-Digit	\$/Feature/Month	\$0.63
Speed Calling Individual 2-Digit	\$/Feature/Month	\$0.64
Direct Connect	\$/Feature/Month	\$0.42
Distinctive Alerting / Call Waiting Indicator	\$/Feature/Month	\$1.46
Call Hold	\$/Feature/Month	\$0.59
Semi-Restricted (Orig/Term)	\$/Feature/Month	\$1.85
Fully-Restricted (Orig/Term)	\$/Feature/Month	\$1.85
Toll Restricted Service	\$/Feature/Month	\$0.26
Call Pick-up	\$/Feature/Month	\$0.34
Directed Call Pick-up w/Barge-In	\$/Feature/Month	\$0.40
Directed Call Pick-up w/o Barge-In	\$/Feature/Month	\$0.39
Special Intercept Announcements	\$/Feature/Month	\$8.49
Conference Calling - 6-Way Station Cont.	\$/Feature/Month	\$4.24

VERTICAL FEATURES		(Subject to Availability)
Station Message Detail Recording	\$/Feature/Month	\$1.61
Station Message Detail Recording to Premises	\$/Feature/Month	\$3.12
Fixed Night Service - Key	\$/Feature/Month	\$3.05
Attendant Camp-on (Non-DI Console)	\$/Feature/Month	\$1.36
Attendant Busy Line Verification	\$/Feature/Month	\$4.45
Control of Facilities	\$/Feature/Month	\$0.25
Fixed Night Service - Call Forwarding	\$/Feature/Month	\$0.32
Attendant Conference	\$/Feature/Month	\$12.88
Circular Hunting	\$/Feature/Month	\$2.95
Preferential Multiline Hunting	\$/Feature/Month	\$0.45
Uniform Call Distribution	\$/Feature/Month	\$3.42
Stop Hunt Key	\$/Feature/Month	\$0.25
Make Busy Key	\$/Feature/Month	\$0.60
Queuing	\$/Feature/Month	\$1.10
Automatic Route Selection	\$/Feature/Month	\$0.35
Facility Restriction Level	\$/Feature/Month	\$0.25
Expansive Route Warning Tone	\$/Feature/Month	\$0.25
Time-of-Day Routing Control	\$/Feature/Month	\$0.31
Foreign Exchange Facilities	\$/Feature/Month	\$13.40
Anonymous Call Rejection	\$/Feature/Month	\$5.31
Basic Business Group Sta-Sta ICM	\$/Feature/Month	\$10.23
Basic Business Group CTX	\$/Feature/Month	\$1.76
Basic Business Group DOD	\$/Feature/Month	\$0.71
Basic Business Auto ID Outward Dialing	\$/Feature/Month	\$0.25
Basic Business Group DID	\$/Feature/Month	\$0.25
Business Set Group Intercom All Calls	\$/Feature/Month	\$7.55
Dial Call Waiting	\$/Feature/Month	\$0.57
Loudspeaker Paging	\$/Feature/Month	\$12.38
Recorded Telephone Dictation	\$/Feature/Month	\$13.28
On-Hook Queuing for Outgoing Trunks	\$/Feature/Month	\$4.46
Off-Hook Queuing for Outgoing Trunks	\$/Feature/Month	\$1.54
Teen Service	\$/Feature/Month	\$0.82
Bg - Automatic Call Back	\$/Feature/Month	\$0.83
Voice/Data Protection	\$/Feature/Month	\$0.25
Authorization Codes for Afr	\$/Feature/Month	\$0.36
Account Codes for Afr	\$/Feature/Month	\$0.59
Code Restriction Diversion	\$/Feature/Month	\$0.37
Code Calling	\$/Feature/Month	\$14.60
Meet-Me Conference	\$/Feature/Month	\$5.93
Call Park	\$/Feature/Month	\$0.25
Executive Busy Override	\$/Feature/Month	\$0.25

VERTICAL FEATURES		(Subject to Availability)
Last Number Redial	\$/Feature/Month	\$0.50
Direct Inward System Access	\$/Feature/Month	\$0.25
Authorization Code Immediate Dialing	\$/Feature/Month	\$0.25
Bg - Speed Calling Shared	\$/Feature/Month	\$0.25
Attendant Recall from Satellite	\$/Feature/Month	\$0.25
Bg - Speed Calling 2-Shared	\$/Feature/Month	\$0.25
Business Set - Call Pick-up	\$/Feature/Month	\$0.25
Authorization Code for Mdr	\$/Feature/Month	\$0.25
Locked Loop Operation	\$/Feature/Month	\$0.25
Attendant Position Busy	\$/Feature/Month	\$0.25
Two-Way Splitting	\$/Feature/Month	\$0.84
Call Forwarding - All (Fixed)	\$/Feature/Month	\$1.75
Business Group Call Waiting	\$/Feature/Month	\$0.25
Music on Hold	\$/Feature/Month	\$6.41
Automatic Alternate Routing	\$/Feature/Month	\$4.95
DTMF Dialing	\$/Feature/Month	\$0.25
BG DTMF Dialing	\$/Feature/Month	\$0.25
Business Set Access to Paging	\$/Feature/Month	\$3.97
Call Flip-Flop (Ctx-A)	\$/Feature/Month	\$3.52
Selective Calling Waiting (Class)	\$/Feature/Month	\$2.80
Direct Inward Dialing	\$/Feature/Month	\$11.85
Customer Dialed Account Recording	\$/Feature/Month	\$3.37
Deluxe Automatic Route Selection	\$/Feature/Month	\$0.68
MDC Attendant Console	\$/Feature/Month	\$63.74
Warm Line	\$/Feature/Month	\$0.25
Calling Name Delivery	\$/Feature/Month	\$0.25
Call Forwarding Enhancements	\$/Feature/Month	\$0.25
Caller ID Name and Number	\$/Feature/Month	\$1.16
InContact	\$/Feature/Month	\$1.68
Call Waiting ID	\$/Feature/Month	\$0.25
Att'd ID on Incoming Calls	\$/Feature/Month	\$0.46
Privacy Release	\$/Feature/Month	\$0.25
Display Calling Number	\$/Feature/Month	\$0.25
Six-Port Conference	\$/Feature/Month	\$5.61
Business Set Call Back Queuing	\$/Feature/Month	\$0.25
ISDN Code Calling - Answer	\$/Feature/Month	\$0.25
Att'd Call Park	\$/Feature/Month	\$0.25
Att'd Autodial	\$/Feature/Month	\$0.25
Att'd Speed Calling	\$/Feature/Month	\$0.25
Att'd Console Test	\$/Feature/Month	\$0.25

VERTICAL FEATURES		(Subject to Availability)
Att'd Delayed Operation	\$/Feature/Month	\$0.25
Att'd Lockout	\$/Feature/Month	\$0.25
Att'd Multiple Listed Directory Numbers	\$/Feature/Month	\$0.25
Att'd Secrecy	\$/Feature/Month	\$0.25
Att'd Wildcard Key	\$/Feature/Month	\$0.25
Att'd Flexible Console Alerting	\$/Feature/Month	\$0.25
Att'd VFG Trunk Group Busy on Att'd Console	\$/Feature/Month	\$0.25
Att'd Console Act/Deact of CFU/CFT	\$/Feature/Month	\$0.25
Att'd Display of Queued Calls	\$/Feature/Month	\$0.25
Att'd Interposition Transfer	\$/Feature/Month	\$0.25
Att'd Automatic Recall	\$/Feature/Month	\$0.25

## APPENDIX E

### RATES AND CHARGES FOR 911/E-911 ARRANGEMENTS

- I. The following services are offered by Verizon for purchase by KMC for UNEs or Interconnection, where an individual item is not superseded by a tariffed offering.

		<u>NRC</u>	<u>MRC</u>
A.	9-1-1 Selective Router Map	\$125.00	N/A
	<p>Provided is a color map showing a selective router's location and the Verizon central offices that send their 9-1-1 call to it. The selective router and central office information will include CLLI codes and NPA/NXXs served. The map will include boundaries of each central office and show major streets and the county boundary. Permission to reproduce by KMC for its internal use is granted without further fee. Non-tariffed price.</p>		
B.	9-1-1 Selective Router Pro-Rata Fee/trunk	\$0	\$100.77
	<p>This fee covers the cost of selective routing switch capacity per trunk to cover investment to handle the additional capacity without going to the 9-1-1 districts for additional funding.</p>		
C.	PS ALI Software	\$790.80	
	<p>A personal computer software program running on Windows 3.1™ for formatting subscriber records into NENA Version #2 format to create files for uploading to Verizon's ALI Gateway. Fee includes software, warranty and 1 800 872-3356 support at no additional cost.</p>		
D.	ALI Gateway Service	\$135.00	\$36.12
	<p>Interface for delivery of ALI records to Verizon's Data Base Management System. This provides a computer access port for KMC to transmit daily subscriber record updates to Verizon for loading into ALI databases. It includes support at 1 800 872-3356 at no additional cost.</p>		
E.	9-1-1 Interoffice Trunk	Tariff	Tariff
	<p>This is a tariffed offering, to be found in each state's Emergency Number Service Tariff.</p>		

		<u>NRC</u>	<u>MRC</u>
F.	ALI Database	Tariff	Tariff
	This is a tariffed offering, to be found in each state's Emergency Number Service Tariff.		
G.	Selective Router Database per Record Charge	Tariff	Tariff
	Fee for each ALI record used in a Verizon selective router. This is a tariffed offering, to be found in each state's Emergency Number Service Tariff.		
H.	MSAG Copy		
	Production of one copy of a 9-1-1 Customer's Master Street Address Guide, postage paid.		
	(a) Copy provided in paper format	\$238.50	\$54.00
	(b) Copy provided in flat ASCII file on a 3-1/2" diskette	\$276.00	\$36.00
II.	The following services are offered by Verizon when KMC resells Verizon's local exchange services, where an item is not superseded by a tariffed offering:		
A.	911 Selective Router Map		
	<p>Provided is a color map showing a selective router's location and the Verizon central offices that send their 911 call to it. The selective router and central office information will include CLLI codes and NPA/NXXs served. The map will include boundaries of each central office and show major streets and the county boundary. Permission to reproduce by KMC for its internal use is granted without further fee. Non-tariffed price.</p>		
B.	MSAG Copy		
	Production of one copy of a 911 Customer's Master Street Address Guide, postage paid		
	1. Copy provided in proper format	\$238.50	\$ 54.00
	2. Copy provided in flat ASCII file on a 3-1/2" diskette	\$276.00	\$ 36.00

## APPENDIX F

### COMPENSATION FOR EXCHANGE OF TRAFFIC USING UNBUNDLED ELEMENTS

1. This Appendix describes the compensation terms that apply for exchanging local, intraLATA, toll and interexchange traffic when KMC uses Verizon-provided unbundled ports, local switching and shared transport to provide service to KMC's end-users. Reciprocal compensation does not apply in a resale environment.
2. Compensation for KMC's Purchase of Verizon's unbundled local switching.
  - 2.1 For local intra-switch calls between lines connected to Verizon's switch where KMC has purchased Verizon's unbundled local switching, the Parties agree to impose no call termination charges on each other. Verizon's local switching charge will apply as described below where the call is:
    - 2.1.1 Originated by KMC's customer using Verizon's unbundled local switching and completed to a Verizon customer:
      - (a) (For use of the local switch): local switching charge the originating office will apply to KMC.
    - 2.1.2 Originated by KMC's customer using Verizon's unbundled local switching and completed to the customer of a third party LEC (not affiliated with KMC) using Verizon's unbundled local switching.
      - (a) (For use of the local switch): local switching charge at the originating office will apply to KMC.
    - 2.1.3 Originated by KMC's customer using Verizon's unbundled local switching and completed to another KMC's customer using Verizon's unbundled local switching.
      - (a) (For use of the local switch): local switching charge at the originating office will apply to KMC.
    - 2.1.4 Originated by a Verizon customer and terminated to KMC's customer using Verizon's unbundled local switching.
      - (a) No local switching charge will apply to KMC.
    - 2.1.5 Originated by the customer of a third-party LEC (not affiliated with KMC) using Verizon's unbundled local switching and terminated to KMC's customers using Verizon's unbundled local switching.
      - (a) No local switching charge will apply to KMC.
  - 2.2 For local inter-switch calls where KMC has purchased Verizon's unbundled local switching. Verizon's charges will apply to CLEC as described below where the call is:
    - 2.2.1 Originated from KMC's end-user customer using Verizon's unbundled local switching and completed to a Verizon customer:
      - (a) (For use of the local switch): local switching charge at the originating office.



- (b) A mileage-based transport charge will apply when KMC uses Verizon's transport.
  - (c) Tandem Switching, if applicable.
  - (d) (For call termination): Charges for local interconnection/call termination, when applicable
- 2.2.2 Originated from KMC's customer using Verizon's unbundled local switching and completed to a third-party LEC (not affiliated with KMC) customer using Verizon's unbundled local switching.
  - (a) (For use of the local switch): local switching charge at the originating office.
  - (b) A mileage-based transport charge will apply when KMC uses Verizon's transport.
  - (c) Tandem Switching, if applicable.
- 2.2.3 Originated from KMC's customer using Verizon's unbundled local switching and completed to the interconnected network of a third-party LEC (not affiliated with KMC).
  - (a) (For use of the local switch): local switching charge at the originating office.
  - (b) A mileage-based transport charge will apply when KMC uses Verizon's transport, and mileage shall be measured between the originating office and the IP of the Third Party's network.
  - (c) Tandem Switching, if applicable.
- 2.2.4 Originated from KMC's customer using Verizon's unbundled local switching and completed to KMC's customer using Verizon's unbundled local switching.
  - (a) (For use of the local switch): local switching charge at the originating office.
  - (b) A mileage-based transport charge will apply when KMC uses Verizon's transport.
  - (c) Tandem Switching, if applicable.
  - (d) (For use of the local switch): Local switching charge at the terminating office.
- 2.2.5 Originated by a Verizon customer and terminated to KMC's customer using Verizon's unbundled local switching.
  - (a) (For use at local switch): local switching charge at the terminating office.

- (b) (For call termination): KMC shall charge Verizon for local interconnection/call termination, when applicable.
- 2.2.6 Originated by a customer of a third-party LEC using Verizon's unbundled local switching and terminated to KMC's customer using Verizon's unbundled local switching.
  - (a) (For use of the local switch): local switching charge at the terminating office.
- 2.2.7 Originated by a customer of the interconnected network of a third-party LEC and terminated to KMC's customers using Verizon's unbundled local switching.
  - (a) (For use of the local switch): local switching charge at the terminating office.
- 2.3 For intraLATA toll calls where KMC has purchased Verizon's unbundled local switching, charges shall apply as follows:
  - 2.3.1 Originated by KMC's customer and completed to a Verizon customer:
    - (a) (For use of the local switch): local switching charge at the originating office.
    - (b) Shared transport charge between the two offices will apply when KMC uses Verizon's transport.
    - (c) Tandem Switching, if applicable.
    - (d) (For call termination): End Office Switching charge at the terminating office (Switched Access Rate).
  - 2.3.2 Originated by KMC's customer and completed to the customer of a third-party LEC using Verizon's unbundled local switching in a distant end office.
    - (a) (For use of the local switch): local switching charge at the originating office.
    - (b) Shared transport charge between the two offices will apply when KMC uses Verizon's transport.
    - (c) Tandem Switching, if applicable.
  - 2.3.3 Originated by KMC's customer and completed to the network of a third-party LEC interconnected with Verizon's network.
    - (a) (For use of the local switch): local switching charge at the originating office.
    - (b) Common transport charge will apply when KMC uses Verizon's transport, and mileage shall be measured between the originating office and the IP of the Third Party's network.

- (c) Tandem Switching, where applicable.
- 2.3.4 Originated by KMC's customer and completed by another of KMC's customers being served through Verizon's unbundled local switching in a distant office.
  - (a) (For use of the local switch): local switching charge at the originating office.
  - (b) Shared transport charge between the two offices will apply when KMC uses Verizon's transport.
  - (c) Tandem Switching, if applicable.
  - (d) (For use of the local switch): local switching charge at the terminating office.
- 2.3.5 Originated by a Verizon customer and terminated to KMC's customer using Verizon's unbundled local switching.
  - (a) (For use of the local switch): local switching charge at the terminating office.
  - (b) (For call termination): KMC will charge Verizon local switching at the terminating office.
- 2.3.6 Originated by a customer of a third-party LEC (not affiliated with KMC) using Verizon's unbundled local switching in a distant end office and terminated to KMC's customers using Verizon's unbundled local switching.
  - (a) (For use of the local switch): local switching charge at the terminating office.
- 2.3.7 Originated by a customer of the network of a third-party LEC interconnected with Verizon's network and terminated to KMC's customers using Verizon's unbundled local switching.
  - (a) (For use of the local switch): local switching charge at the terminating office.
- 2.4 For intrastate Switched Access calls where KMC is using Verizon's unbundled local switching for calls originated from or terminated to an IXC for completion:
  - 2.4.1 For calls originated from KMC's customer to an IXC switch for completion.
    - (a) (For use of the local switch): local switching charge at the office.
    - (b) Shared Transport;
    - (c) Tandem Switching
  - 2.4.2 For calls terminating to KMC's end-user customer from an IXC switch for completion.

- (a) (For use of the local switch): local switching charge at the terminating office.
- (b) Shared Transport;
- (c) Tandem Switching

2.5 For interstate Switched Access calls where KMC is using Verizon's unbundled local switching for calls originated from or terminated to an IXC for completion:

2.5.1 For calls originated from KMC's customer to an IXC switch for completion.

- (a) (For use of the local switch): local switching charge at the originating office.
- (b) Shared Transport;
- (c) Tandem Switching

2.5.2 For calls terminating to KMC's customer from an IXC switch for completion:

- (a) (For use of the local switch): local switching charge at the terminating office.
- (b) Shared Transport;
- (c) Tandem Switching

3. Unbundled local switching will be billed on a per minute of use basis and applied to all originating and interswitch terminating traffic, including, but not limited to local, toll, operator services, directory assistance, 911/E-911, 500, 700, 800/888, 900, 950, 976, busy calls, no answer, incomplete. Where non-conversation time cannot be measured, the parties will mutually agree on the appropriate measure and charge. Where measurement of terminating local switching minutes is not available, the number of minutes billed for terminating usage will be equal to the number of originating minutes. The Parties will mutually agree on a method and procedure to periodically sample and validate or adjust the ratio of originating to terminating minutes for billing purposes.

# APPENDIX G

## COLLOCATION RATES

### CAGED COLLOCATION RATES

Elements	Increment	NRC / MRC	Rate
<b><u>Non-Recurring Prices</u></b>			
<b>Engineering Costs</b>			
Engineering/Major Augment Fee	per occurrence	NRC	\$2,339.37
Minor Augment Fee	per occurrence	NRC	\$189.14
<b>Access Card Administration (New/Replacement)</b>	per card	NRC	\$18.51
<b>Site Preparation Charge</b>			
Initial 100 Square Feet	per sq ft	NRC	336.00
Incremental - Over 100 Square Feet	per sq ft	NRC	42.00
<b>Cable Racking - Dedicated</b>			
Engineering	per project	NRC	\$70.19
Installation and Materials - Racking	per linear foot	NRC	\$32.21
<b>Cage Enclosure</b>			
Cable Fencing	per sq. ft. fencing	NRC	\$10.23
Cage Gate	per gate	NRC	\$580.31
<b>Cage Grounding Bar</b>	per bar	NRC	\$1,252.27
<b>DC Power Facility</b>			
Termination	per pwr run	NRC	\$55.52
Power Cable Pull - Labor	per linear foot	NRC	\$9.25
Engineering	per project	NRC	\$70.19
<b>Fiber Cable Pull</b>			
Engineering Costs	per project	NRC	\$466.05
Place Innerduct	per linear foot	NRC	\$1.32
Pull Cable	per linear foot	NRC	\$1.10
Cable Fire Retardant	per occurrence	NRC	\$37.02
<b>Fiber Cable Splice</b>	per fiber	NRC	\$83.38
<b>Facility Pull</b>			
Engineering Costs	per project	NRC	\$33.17
Per Foot Pull (labor)-DSO,DS1,DS3 or Fiber	per linear foot	NRC	\$0.93
Per DSO Cable Termination (Connectorized)	per 100 pr	NRC	\$3.70
Per DS1 Cable Termination (Connectorized)	per 28 pr	NRC	\$0.93
Per DS3 (coaxial) Termination			
Per Termination (Preconnectorized)	per DS3	NRC	\$0.93
Per Termination (Unconnectorized)	per DS3	NRC	\$9.25
<b>BITS Timing</b>			
Engineering Costs	per project	NRC	\$34.10
Material Cost and Pull Shielded Cable	per linear foot	NRC	\$1.07

### Monthly Recurring Prices

<b>Cage Floor Space including Shared Access Area</b>	1 sq ft	MRC	\$2.54
<b>Cable Space (Subduct Space)</b>			
Manhole	per project	MRC	\$5.59
Subduct	per linear foot	MRC	\$0.05
<b>DC Power Facility and Utility</b>			
Utility, Power Supply, Fuse Panels and Fuses	40 amps	MRC	\$565.68
<b>Facility Termination</b>			
DSO Cable - Material	per 100 pr.	MRC	\$2.86
DS1 Cable - Material	per 28 pr.	MRC	\$12.19
DS3 Cable - Material	per DS3	MRC	\$15.56
<b>Cable Vault Splice</b>			
<b>Fiber Cable - 48 fiber</b>			
Material	per splice	MRC	\$7.66
Space Utilization in Cable Vault	per subduct	MRC	\$0.79
<b>Fiber Cable - 96 fiber</b>			
Material	per splice	MRC	\$21.82
Space Utilization in Cable Vault	per subduct	MRC	\$0.79
<b>Cable Rack - Common</b>			
Metallic DSO Cable - Space Utilization	per linear foot	MRC	\$0.01
Metallic DS1 Cable - Space Utilization	per linear foot	MRC	\$0.01
Fiber Cable - Space Utilization	per innerduct ft.	MRC	\$0.01
<b>BITS Timing</b>	per port	MRC	\$9.02

CAGELESS COLLOCATION RATES
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Elements	Increment	NRC / MRC	Rate
<b><u>Non-Recurring Prices</u></b>			
<b>Engineering Costs</b>			
Engineering Fee	per occurrence	NRC	\$2,339.37
Augment/Change Current Svc Arrangements	per occurrence	NRC	\$189.14
<b>Access Card Administration (New/Replacement)</b>	per card	NRC	\$18.51
<b>Cageless Site Preparation Charge</b>	per bay	NRC	4800.00
<b>Cable Racking - Dedicated</b>			
Engineering	per project	NRC	\$70.19
Installation and Materials - Racking	per linear foot	NRC	\$32.21
<b>DC Power Facility</b>			
Termination	per pwr run	NRC	\$55.52
Power Cable Pull - Labor	per linear foot	NRC	\$9.25
Engineering	per project	NRC	\$70.19
<b>Fiber Cable Pull</b>			
Engineering Costs	per project	NRC	\$466.05
Place Innerduct	per linear foot	NRC	\$1.32
Pull Cable	per linear foot	NRC	\$1.10
Cable Fire Retardant	per occurrence	NRC	\$37.02
<b>Fiber Cable Splice</b>	per fiber	NRC	\$83.38
<b>Facility Pull</b>			
Engineering Costs	per project	NRC	\$33.17
Per Foot Pull (labor)-DSO,DS1,DS3 or Fiber	per linear foot	NRC	\$0.93
Per DSO Cable Termination (Connectorized)	per 100 pr	NRC	\$3.70
Per DS1 Cable Termination (Connectorized)	per 28 pr	NRC	\$0.93
Per DS3 (coaxial) Termination			
Per Termination (Preconnectorized)	per DS3	NRC	\$0.93
Per Termination (Unconnectorized)	per DS3	NRC	\$9.25
<b>BITS Timing</b>			
Engineering Costs	per project	NRC	\$34.10
Material Cost and Pull Shielded Cable	per linear foot	NRC	\$1.07
<b><u>Monthly Recurring Prices</u></b>			
<b>Relay Rack Floor Space including Shared Access Area</b>	per linear foot	MRC	\$10.78
<b>Cabinet Floor Space including Shared Access Area</b>	per linear foot	MRC	\$14.58
<b>Cable Space</b>			
<b>Subduct Space</b>			
Manhole	per project	MRC	\$5.59
Subduct	per linear foot	MRC	\$0.05
<b>DC Power Facility and Utility</b>			
Utility, Power Supply, Fuse Panels and Fuses	40 amps	MRC	\$565.68
<b>Facility Termination</b>			
DSO Cable - Material	per 100 pr.	MRC	\$2.86
DS1 Cable - Material	per 28 pr.	MRC	\$12.19
DS3 Cable - Material	per DS3	MRC	\$15.56

**Cable Vault Splice****Fiber Cable - 48 fiber**

Material	per splice	MRC	\$7.66
Space Utilization in Cable Vault	per subduct	MRC	\$0.79

**Fiber Cable - 96 fiber**

Material	per splice	MRC	\$21.82
Space Utilization in Cable Vault	per subduct	MRC	\$0.79

**Cable Rack - Common**

Metallic DSO Cable - Space Utilization	per linear foot	MRC	\$0.01
Metallic DS1 Cable - Space Utilization	per linear foot	MRC	\$0.01
Fiber Cable - Space Utilization	per innerduct ft.	MRC	\$0.01

**BITS Timing**

per port	MRC	\$9.02
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ADJACENT COLLOCATION RATES
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Elements	Increment	NRC / MRC	Rate
<b><u>Non-Recurring Prices</u></b>			
<b>Engineering Fee</b>	per occurrence	NRC	\$897.75
<b>Fiber Cable Pull</b>			
Engineering Costs	per project	NRC	\$466.05
Place Innerduct	per linear foot	NRC	\$1.32
Pull Cable	per linear foot	NRC	\$1.10
Cable Fire Retardant	per occurrence	NRC	\$37.02
<b>Metallic Cable Pull</b>			
Engineering Costs	per project	NRC	\$466.05
Pull Cable	per linear foot	NRC	\$2.01
Cable Fire Retardant	per occurrence	NRC	\$37.02
<b>Cable Splice</b>			
<b>Metallic DSO, DS1 or Fiber</b>			
Engineering Costs	per project	NRC	\$23.30
Splicing (greater than 200 pair)	per DSO/DS1 pair	NRC	\$0.76
Splicing (less than 200 pair)	per DSO/DS1 pair	NRC	\$1.68
Splicing Fiber Cable	per fiber	NRC	\$83.38
<b>Facility Pull</b>			
<b>Engineering Costs</b>	per project	NRC	\$33.17
<b>Per Foot Pull (labor)-DSO,DS1,DS3 or Fiber</b>	per linear foot	NRC	\$0.93
<b>Per DSO Cable Termination</b>			
Per Termination (C)	per 100 pr	NRC	\$3.70
Per Termination (UC)	per 100 pr	NRC	\$37.02
<b>Per DS1 Cable Termination</b>			
Per Termination (C)	per 28 pr	NRC	\$0.93
Per Termination (UC)	per 28 pr	NRC	\$27.77
<b>Per DS3 (coaxial) Termination</b>			
Per Termination (Preconnectorized)	per DS3	NRC	\$0.93
Per Termination (Unconnectorized)	per DS3	NRC	\$9.25
<b>Per Fiber Cable Termination</b>			
Per Termination	per fiber	NRC	\$83.38
<b>BITS Timing</b>			
Engineering Costs	per project	NRC	\$34.10
Material Cost and Pull Shielded Cable	per linear foot	NRC	\$1.07
<b><u>Monthly Recurring Prices</u></b>			
<b>Cable Space</b>			
<b>Subduct Space</b>			
Manhole	per project	MRC	\$5.59
Subduct	per linear foot	MRC	\$0.05
<b>Conduit Space - 4" Duct - Metallic Cable</b>			
Manhole	per project	MRC	\$9.05
Conduit	per linear foot	MRC	\$0.04

**Facility Termination**

DSO Cable - Material	per 100 pr.	MRC	\$2.86
DS1 Cable - Material	per 28 pr.	MRC	\$12.19
DS3 Cable - Material	per DS3	MRC	\$15.56

**Cable Vault Splice****Metallic DSO Cable per 1200 pair**

Material	per splice	MRC	\$400.33
Space Utilization in Cable Vault	per cable	MRC	\$2.90

**Metallic DSO Cable per 900 pair**

Material	per splice	MRC	\$293.16
Space Utilization in Cable Vault	per cable	MRC	\$2.63

**Metallic DSO Cable per 600 pair**

Material	per splice	MRC	\$194.89
Space Utilization in Cable Vault	per cable	MRC	\$1.88

**Metallic DS1 Cable**

Material	per splice	MRC	\$40.56
Space Utilization in Cable Vault	per cable	MRC	\$0.42

**Fiber Cable - 48 fiber**

Material	per splice	MRC	\$7.66
Space Utilization in Cable Vault	per subduct	MRC	\$0.79

**Fiber Cable - 96 fiber**

Material	per splice	MRC	\$21.82
Space Utilization in Cable Vault	per subduct	MRC	\$0.79

**Cable Rack - Common****Metallic DSO Cable - Space Utilization**

per linear foot	MRC	\$0.01
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**Metallic DS1 Cable - Space Utilization**

per linear foot	MRC	\$0.01
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**Fiber Cable - Space Utilization**

per innerduct ft.	MRC	\$0.01
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**BITS Timing**

per port	MRC	\$9.02
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MISCELLANEOUS COLLOCATION RATES
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Elements	Increment	NRC / MRC	Rate
<b>Labor:</b>			
Overtime Installation Labor	per rates below		
Overtime Repair Labor	per rates below		
Additional Installation Testing Labor	per rates below		
Standby Labor	per rates below		
Testing & Maintenance with Other Telcos, Labor	per rates below		
Other Labor	per rates below		
<b>Labor Rates:</b>			
<b>Basic Time, Business Day, Per Technician</b>			
First Half Hour or Fraction Thereof		NRC	\$39.10
Each Additional Half Hour or Fraction Thereof		NRC	\$19.55
<b>Overtime, Outside the Business Day</b>			
First Half Hour or Fraction Thereof		NRC	\$100.00
Each Additional Half Hour or Fraction Thereof		NRC	\$75.00
<b>Prem.Time,Outside Business Day, Per Tech</b>			
First Half Hour or Fraction Thereof		NRC	\$150.00
Each Additional Half Hour or Fraction Thereof		NRC	\$125.00
<b>Verizon Provided Cable Rates:</b>			
<b>Facility Cable</b>			
DS-O Cable (Connectorized) 100 pair	100 ft.	NRC	\$157.69
DS-1 Cable (Connectorized)	100 ft.	NRC	\$165.77
DS-3 Coax Cable	per linear foot	NRC	\$0.42
Shielded Cable (Orange jacket)	per linear foot	NRC	\$0.16
<b>Power Cable</b>			
Wire Power 1/0	per linear foot	NRC	\$0.77
Wire Power 2/0	per linear foot	NRC	\$1.11
Wire Power 3/0	per linear foot	NRC	\$1.24
Wire Power 4/0	per linear foot	NRC	\$1.52
Wire Power 350 MCM	per linear foot	NRC	\$2.60
Wire Power 500 MCM	per linear foot	NRC	\$3.63
Wire Power 750 MCM	per linear foot	NRC	\$5.58
Wire Ground #6	per linear foot	NRC	\$0.15
<b>Collocation Space Report</b>	per premise	NRC	\$1,605.96

APPENDIX 49A  
AMENDMENT TO CERTAIN RATES, TERMS AND CONDITIONS  
AT&T TERMS

Pursuant to Article III Section 49 of this Agreement and subject to all of the terms and conditions thereof, the following AT&T Terms referred to in Section 49 and attached hereto as pages 49A-2 through 49A-17 will be substituted for the Verizon Terms, which are set out in Appendix 49B.

Attachment 1 of Appendix 49A  
Amendment to Certain Rates, Terms and Conditions  
AT&T/Verizon Pricing Agreement  
State of Wisconsin

1. Local Service Resale

1.1 The prices charged to AT&T for Local Service shall be calculated using the avoided cost discount applicable in the State determined on the basis of the retail rate charged to subscribers for the telecommunications service requested, excluding the portion thereof attributable to any marketing, billing, collection, and other costs that will be avoided by Verizon, as further specified in Appendix 1 to this Attachment 14.

The prices shall be based on Verizon's retail rates applicable on the Effective Date, less the applicable discount. If Verizon reduces or increases its retail rates after AT&T executes this Agreement, the applicable discount shall be applied to the reduced or increased retail rates.

1.2 [Intentionally deleted.]

Attachment 1 of Appendix 49A  
Amendment to Certain Rates, Terms and Conditions  
AT&T/Verizon Pricing Agreement  
State of Wisconsin  
Local Service Resale

Beginning with the Effective Date of this Agreement, Resale Services will be priced in accordance with the standards and prices described below.

1. The wholesale rates for Local Service Resale will be calculated based upon the discounts described in Appendix 1. Such discounts will be applied against the Retail Rates for each Verizon Retail Offering.
  - 1.1 "Retail Rates" are the effective rates an Verizon retail customer would have paid Verizon under the Retail Offering selected by AT&T, taking into consideration all applicable discounts, including, but not limited to, volume, term and time of day.
  - 1.2 A "Retail Offering" is an individual service or package of services that Verizon provides at retail prices to its own end-user customers and that AT&T is permitted to resell to its own end-user customers pursuant to Commission order and this Agreement.
2. The discounts and pricing methodology described in this Appendix will remain in effect for three years of this Agreement ("Initial Contract Period") and will apply to all Resale Services ordered by AT&T under this Agreement unless and until amended pursuant to pricing orders applicable to Resale Services provided by Verizon to AT&T in this State. Upon expiration of the Initial Contract Period and upon written notice by a Party, the Parties agree to renegotiate the discounts and/or method for calculating wholesale prices for Resale Services, subject to the then applicable pricing standards established in accordance with Applicable Law. A Party may deliver only one request during a Contract Year. If the Parties are unable to agree upon revised discounts and/or pricing methodology within sixty (60) days of the request to renegotiate, a Party may invoke the dispute resolution procedures of Attachment 1. Until such time as the revised discounts and/or pricing methodology are agreed to, or established by the decision of the Arbitrator in the dispute resolution procedure, the discounts and/or pricing methodology described in this Appendix will continue to remain in effect.
3. A nonrecurring Subsequent Service Order (Business) charge shall apply for the conversion of existing Customers of Verizon services, received either directly from Verizon or through another reseller, to AT&T local service.

Attachment 1 of Appendix 49A  
Amendment to Certain Rates, Terms and Conditions  
Annex 1 from Attachment 14 of  
AT&T/Verizon Pricing Agreement  
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Schedule of Wholesale Discounts

Basic Local Service (Residence & Business)

Line charges	18.45%
Usage charges	18.45%
Features	18.45%
Listing Charges	18.45%
Non-recurring Charges	18.45%

Toll Services

Usage	18.45%
Non-recurring	18.45%
Listing Charges	18.45%

Operator Services 18.45%

Directory Assistance 18.45%

Voice Mail Services 18.45%

Business Trunk and Service Arrangements 18.45%

ISDN Services 18.45%

CENTRANET Services 18.45%

Private Line Services 18.45%

Inbound/Outbound 18.45%

Promotional Offerings (more than 90 days)<sup>1</sup> 18.45%

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<sup>1</sup> If the promotion includes a free component (e.g., free installation) and this is offered to customers for more than 90 days in a 12-month period, AT&T shall receive the component free for

Promotional Offerings (90 days or less)	Not Subject to Wholesale Discount
Public Payphones	Not Subject to Wholesale Discount
Semi-Public Payphones	18.45%
All other not specifically identified above	18.45%

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the ensuing 12 months, beginning on the 91st day such promotion is in effect. If the rate or terms of a promotion for a particular service change and together they total more than 90 days in a 12-month period, AT&T shall choose which of the offerings it wishes to avail itself of for the 12-month period beginning on the 91st day of such promotions.



Attachment 1 of Appendix 49A  
Amendment to Certain Rates, Terms and Conditions  
Annex 2 of Attachment 14 of  
AT&T/Verizon Pricing Agreement  
State of WisconsinSummary of Wholesale Charges

Local Services-Residence and Business

Line Charges: These services should include but not be limited to the exchange line charges, by rate area within the jurisdiction. The price structure should encompass flat rates, measured rate service, one and/or two-party lines and any other subcategory that pertains to that jurisdiction. Line prices that reflect usage for such services as call-packs, extended area service, and/or community calling would be included in this category.

Usage Charges: Includes all usage not captured in the line charge, such as messages or minutes in excess of any limited calling-plan.

Features: Custom calling features and advanced custom calling features as designed to be compatible with single and multi-line residence and business customer exchange lines. Custom calling features would include month and pay per attempt charges. Associated feature discounts for quantity or other marketing bundles would also be included. (Central office features that support CENTRANET and private line services would be included with each specific service category.).

Listings: All forms of directory listings for both local and toll services. Prices for customer listing options such as bold type, dual name, business name and custom advertising for the white and yellow pages are included.

Non-recurring charges: Charges associated with the installation, addition, changing or moving of service and equipment for local service.

Toll Services: Charges for any service that has been ordered by the Commission to be open to intraLATA presubscription whether charged on a per minute of use, or other, basis. This includes the non-recurring and listing charges associated with installation or record affecting work for toll service or toll usage plans and for listings, advertising and associated services in the 800 service directory.

Operator Services: Charges associated with, but not limited to, obtaining operator assistance for call placement, busy-line verification and interruption, time and weather and, if priced as such, DA call completion.

Directory Assistance Services: Charges associated with the use of directory assistance operators in obtaining local telephone numbers.

Business Trunks and Service Arrangements: Charges associated with PBX trunk arrangements for single and multi-line customers. Included are line and usage charges, features and service arrangements for direct inward (and/or outward) dialing.

ISDN Services: Charges associated with Integrated Services Digital Network Service for residence and business customers for the transmission of voice, data and packet switched signals.

CENTRANET Services: Charges associated with the provision and use of central office based private branch exchange services using equipment located on the premises owned or leased or controlled by Verizon and connected by local loops to the premises of the customer or an authorized user.

Private Line Services: Charges associated with the provision and use of dedicated facilities between two or more customer locations.

Inbound/Outbound Services: Charges associated with the provision and use of WATS 800 (inbound) and Wide Area Telephone service (outbound) and other like services.

End User Access Services: Charges associated with the provision and use of common and dedicated facilities to provide access service to end user customers.

Attachment 2 of Appendix 49A  
Amendment to Certain Rates, Terms and Conditions  
Annex 1 from Attachment 14 of  
AT&T/Verizon Pricing Agreement  
State of Wisconsin

Prices for Unbundled Network Elements

<u>Unbundled Network Elements</u>	<u>Access Areas</u>	<u>Rate / Rate Increment Per Line/Month*</u>
Unbundled Loop - 2 wire	All	\$ 32.00
Unbundled Loop - 4 wire	All	\$ 50.00
Network Interface Device - Basic	All	\$ 1.30
Network Interface Device - 12x	All	\$ 1.40
Local Switching - Port	All	\$ 5.00
Local Switching - Port, DS-1	All	\$ 48.00
Local Switching Usage (Per Min.)		.0169478/min.
Operator Systems	All	0.06
Common Transport - Termination	All	.0003275/min./term
Common Transport - Facility Per Mile		.0000393/min./mile
Dedicated Transport	All	Verizon Tariff, FCC No. 1 Facilities for interstate access, section 5.
Tandem Switching	All	.0030953
Signaling:		
Signaling Links and STP:		
56 KBPS Links	All	\$106.42
D5-1 Links	All	\$175.55
STP Port Term	All	\$259.00
Call Related Data Bases:		
Line Information Data Base (Queries)		.035/Query
Toll Free Calling Data Base (Queries)		.008504/Query

Attachment 2 of Appendix 49A  
Amendment to Certain Rates, Terms and Conditions  
From Attachment 14 of  
AT&T/Verizon Pricing Agreement  
State of Wisconsin

Wholesale Service NRCs

UNBUNDLED SERVICES

Service Ordering (Loop or Port)

Initial Service Order, per order	\$47.25
Transfer of Service Charge, per order	\$16.00
Subsequent Service Order, per order	\$24.00
Customer Service Record Research, per request	\$ 5.25

Installation

Unbundled Loop, per loop	\$ 9.75
Unbundled Port, per port	\$ 9.75

Loop Facility Charge, per order (See Note 1)	\$53.50
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RESALE SERVICES

Service Ordering

Initial Service Order, per order	\$41.50
Subsequent Service Order, per order	\$24.00

Installation, per line	\$22.75
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Outside Facility Connection Charge, per order (See Note 2)	Note 2
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SERVICE PROVIDER NUMBER PORTABILITY

SPNP, per number ported	\$10.50
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Note 1: The Loop Facility Charge will apply when field work is required for establishment of a new unbundled loop service.

Note 2: The Outside Facility Connection Charge will apply when field work is required for establishment of a new resale service. The terms, conditions and rates that apply for this work are described in the Company's retail local service tariffs.

Attachment 3 of Appendix 49A  
Amendment to Certain Rates, Terms and Conditions  
From Attachment 14 of  
AT&T/Verizon Pricing Agreement  
State of Wisconsin

Prices for Collocation

1. Charges.

- 1.1 Collocation will be priced in accordance with the standards and charges described in this Appendix.
- 1.2 The charges for Collocation are as set forth in Verizon's interstate tariffs for physical and virtual collocation.
- 1.3 These charges are subject to change if Verizon's interstate access tariff changes. These charges are interim and subject to change based upon the Commission's review of Verizon's cost studies.
- 1.4 Extraordinary costs may only be billed to AT&T if such costs have been authorized by AT&T. Verizon must advise AT&T if extraordinary costs will be incurred within ten (10) business days of AT&T's request for space. Otherwise, AT&T will not be responsible for such costs. Extraordinary costs do not include costs associated with maintenance and upkeep of the building.

2. Payment.

AT&T will pay the charges for Collocation upon receipt of an itemized invoice from Verizon. Verizon will provide AT&T with an itemized invoice of all charges on a per LSO basis.

Attachment 3 of Appendix 49A  
Amendment to Certain Rates, Terms and Conditions  
Annex 3 from Attachment 14 of  
AT&T/Verizon Pricing Agreement  
State of Wisconsin

Collocation Charges

[This Appendix is Intentionally Deleted ]

Attachment 4 of Appendix 49A  
Amendment to Certain Rates, Terms and Conditions  
From Attachment 14 of  
AT&T/Verizon Pricing Agreement  
State of Wisconsin

Reciprocal Compensation

1. Scope.

This Appendix prescribes the methods and means for reciprocal compensation of interconnect traffic between Verizon's and AT&T's networks as well as transiting traffic between AT&T and third party LECs or ILECs.

2. Interconnecting Local Traffic.

Compensation for exchange of traffic will initially be paid on a "bill and keep" basis. On each three (3) month anniversary of the Interconnection Activation Date in a Market Area, the Parties will review the minutes of usage for interconnect traffic for the prior three (3) months. If the minutes of usage imbalance for interconnect traffic for that period is less than ten percent (10%), neither Party shall charge the other for services provided under this Appendix. If an imbalance is greater than ten percent (10%), then the appropriate Party may bill the other Party using the rates discussed in this Appendix. In the event of a disagreement regarding reciprocal compensation billing, either Party may invoke the dispute resolution procedures of Attachment 1.

3. Transiting Traffic.

AT&T shall pay to Verizon a Transiting Service Charge for the use of its Tandem Switching as described in Annex 1 to this Appendix.

4. Information Services Traffic.

The Information Services Billing and Collection Charge is TBD.

5. BLV/BLVI Traffic.

Each party shall charge the other for BLV/BLVI Services on a "bill and keep" basis.

Attachment 4 of Appendix 49A  
Amendment to Certain Rates, Terms and Conditions  
Annex 1 from Attachment 14 of  
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State of Wisconsin

Prices for Reciprocal Compensation

The prices listed in this Annex are interim pending review by the Commission. Once revised by the Commission, the discounts and pricing methodology will not be subject to change for the Initial Contract Period, unless amended pursuant to pricing orders applicable to the services provided to each other by Verizon and AT&T listed in this Appendix 4. Upon expiration of the Initial Contract Period, upon written notice by a Party, the Parties agree to renegotiate any or all of the prices, subject to the then applicable pricing standards established in accordance with Applicable Law. A Party may deliver only one request to renegotiate during a Contract Year. If the Parties are unable to agree upon revised prices within sixty (60) days of the request to renegotiate, a Party may invoke the dispute resolution procedures. Until such time as the revised prices are agreed to, or established by the decision of the Arbitrator in the dispute resolution procedure, the prices described in this Annex will continue to remain in effect.

Verizon's Interstate Access Tariff Rates shall apply reciprocally.

Verizon Interstate End-Office Switching Rate - \$.0169478 per minute

Tandem Switching - \$.0030953 per minute

Transiting Service Charge - Tandem Switching Rate of \$.0030953 per minute plus applicable Transport Access Rates



Attachment 5 of Appendix 49A  
Amendment to Certain Rates, Terms and Conditions  
Fromfrom Attachment 14 of  
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Prices for Local Number Portability

Until such time as the Commission establishes a cost recovery mechanism for INP, Verizon's current tariff offering shall be used to price INP. However, each Party will track the costs incurred in providing number portability for the other and, once a competitively neutral cost recovery mechanism has been established by the Commission, the Parties will reconcile the charges incurred by each Party based upon documented costs.

Service Provider Number Portability	
- per number ported	\$4.40
Simultaneous Call Capability	
- additional numbers	\$2.60

Attachment 6 of Appendix 49A  
Amendment to Certain Rates, Terms and Conditions  
From Attachment 14 of  
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Prices for Trunking Interconnection

The prices listed in this Appendix are interim pending review by the Commission. Once revised by the Commission, the prices are not subject to change for the Initial Contract Period. Upon expiration of the Initial Contract Period, upon written notice by a Party, the Parties agree to renegotiate any or all of the prices, subject to the then applicable pricing standards established in accordance with Applicable Law. A Party may deliver only one request to renegotiate during a Contract Year. If the Parties are unable to agree upon revised prices within sixty (60) days of the request to renegotiate, a Party may invoke the dispute resolution procedures. Until such time as the revised prices are agreed to, or established by the decision of the Arbitrator in the dispute resolution procedure, the prices described in this Appendix will continue to remain in effect.

Dedicated Transport Rates

Verizon Dedicated Transport

Verizon Tariff, FCC No. 1 -- Facilities for Interstate Access, section 5.

Attachment 7 of Appendix 49A  
Amendment to Certain Rates, Terms and Conditions  
From Attachment 14 of  
AT&T/Verizon Pricing Agreement  
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Prices for E911/911 Services

The prices listed in this Appendix are interim pending review by the Commission. Once revised by the Commission, the prices are not subject to change for the Initial Contract Period. Upon expiration of the Initial Contract Period, upon written notice by a Party, the Parties agree to renegotiate any or all of the prices, subject to the then applicable pricing standards established in accordance with Applicable Law. A Party may deliver only one request to renegotiate during a Contract Year. If the Parties are unable to agree upon revised prices within sixty (60) days of the request to renegotiate, a Party may invoke the dispute resolution procedures. Until such time as the revised prices are agreed to, or established by the decision of the Arbitrator in the dispute resolution procedure, the prices described in this Appendix will continue to remain in effect.

**TBD**

Attachment 8 of Appendix 49A  
Amendment to Certain Rates, Terms and Conditions  
From Attachment 14 of  
AT&T/Verizon Pricing Agreement  
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Rights-of-Way, Conduits, Ducts, and Pole Attachments

Prices. The prices charged to AT&T for Rights-of-Way, Conduit and Pole Attachments will be set at the same rates charged by Verizon to cable television providers for access to such outside plant facilities including the same administrative fees charged by Verizon to such providers, subject to requirements of this Appendix. These prices are interim until the FCC promulgates further rules dealing with pricing for Rights of Way, Conduit and Pole Attachments.

If AT&T requests that a route be made available, AT&T shall provide Verizon with such technical information and specifications as are necessary for Verizon to determine whether a route sufficient to meet AT&T's request is available. If a route is available, Verizon shall advise AT&T as to the availability of the route and shall provide information sufficient for AT&T to determine whether the proposed route would meet AT&T's needs. AT&T shall verify and confirm that based on the information Verizon has provided the proposed route would meet AT&T's needs. If AT&T verifies and confirms that the proposed route would meet AT&T's needs and subsequently AT&T notifies Verizon that the route does not meet AT&T's needs for reasons including, but not limited to, errors in the information provided to Verizon for purposes of identifying the appropriate route or AT&T changing its required specifications, or otherwise through fault of AT&T, AT&T shall bear all costs of preparing the route up until such point and for the costs of modifying the route to meet AT&T's requests. AT&T shall not, however, be responsible for such costs as are associated with preparing, modifying, or repairing such portion of the route as are necessary to meet AT&T's original requests to the extent Verizon is at fault for the deviation of the route from the original request. To the extent both Parties are responsible for the deviation or neither Party is responsible, the Parties shall bear the costs of preparing, modifying, or repairing such portion equally.

Verizon and AT&T shall agree on a verifiable mechanism or process to ensure that AT&T is properly charged for such work and that, where necessary, costs are allocated and prorated in a nondiscriminatory and competitively neutral manner in accordance with effective and applicable methodology approved by the FCC or the Commission. When AT&T places a request with Verizon for work to be performed for AT&T in connection with Rights of Way, Conduit and Pole Attachments, Verizon shall submit to AT&T a detailed estimate for such work as soon as practicable after the receipt of the request. Verizon shall not commence work on the request until it receives prior authorization from AT&T. All invoices submitted by Verizon shall include a detailed itemization of all work covered thereunder.

APPENDIX 49B  
AMENDMENT OF CERTAIN RATES, TERMS AND CONDITIONS  
Verizon TERMS

Pursuant to Article III, Section 49 of this Agreement, the following terms shall be applied in place of the terms in Appendix 49A (AT&T Terms) in the event the terms from the selected arbitrated agreement are deemed to be unlawful, or are stayed or enjoined by a court or commission of competent jurisdiction.

The Interconnection Rates in Appendix A will apply.

The Interim Number Portability Rates in Appendix B will apply.

The Resale Discount in Appendix C will apply.

The Unbundled Network Element rates in Appendix D will apply.

The Resale terms in Article VI will apply.